MODERN BUSINESS

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AND FIRST EDITOR-IN-CHIEF
OF THE

MODERN BUSINESS SERIES

Advertising Campaigns

By

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New York

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PREFACE

One of the great figures of English literature was Dr. Samuel Johnson. Few people read his books any more, but the man himself lives in the pages of Boswell's "Life of Johnson," which is one of the books that should be read by every man interested in advertising. Among other emphatic but not very wise assertions, Dr. Johnson said this: "The trade of advertising is now so near to perfection that it is not easy to propose any improvement." This pronouncement was made in London in 1759, when advertising, as we now view it, had hardly made a beginning.

Advertising men of the present day do not believe that advertising is "near to perfection." Their attitude toward it is like that of the scientist toward electricity. Ask the scientist, "What is electricity?", and he answers humbly, "I do not know. All I can say is that through patient study and research, through many trials and errors, we are finding out a little more about the laws by which it works, and are able each year to apply these laws a little better to the service of the race."

Similarly, advertising is a force greater than the men who work with it. It deals not with things seen,

but with the varied expressions of human nature—the desires and interests, the hopes and fears, and loves and hates of human beings, the fluctuating impulses to which men and women can be persuaded to respond. Advertising will never be "near to perfection." The proper attitude of anyone who has to do with advertising will always be one of study, of willingness to learn from every possible source, of complete dissatisfaction with the past, of constant striving for the future.

It is in this spirit of study that advertising men have come to lay emphasis upon the *planning* phase of their work, upon the mapping out, in great detail, of the advertising campaign. Everything depends upon accurate analysis of the advertising problem, upon correct visualization of the varied audiences who are to receive the messages, upon a sympathetic insight into their needs, their ambitions, into even their prejudices.

Without this preliminary vision, no amount of skill in technical copywriting or cleverness in picturizing the advertising message will avail to arouse inquiries or to create business. In advertising, more surely than elsewhere, correct strategy is half the battle, and one tangible evidence of progress in that field is the care which is now bestowed upon planning the campaign. To set forth the fundamental principles of campaign planning, in clear and non-technical language, is the purpose of this Text.

The authors of this volume are men who have been

at focal points in the advertising business. Bernard Lichtenberg, Vice-President, and Director of Advertising, the Alexander Hamilton Institute, has had charge of its international advertising campaigns during the past fifteen years. Mr. Lichtenberg is also President of the Association of National Advertisers, an organization representing more than 300 of the larger national advertisers of the United States. Bruce Barton is Chairman of the Board of Batten, Barton, Durstine, and Osborn, one of the largest advertising agencies in the world. Mr. Barton is internationally known as the author of a number of the most widely read books in recent years, such as "The Book Nobody Knows," "The Man Nobody Knows," and "What Can a Man Believe?" Successfully merging their supplementary viewpoints, they have sought, through this Text, to make available to others all that seems significant in their nation-wide experience with advertising campaigns.

EDITOR-IN-CHIEF

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ADVERTISING CAMPAIGNS

CHAPTER I

OBJECTIVES IN ADVERTISING CAMPAIGNS

1. *The objectives of advertising.*—Many business men err, when first contemplating an advertising campaign, by conjuring up the mental image of a piece of copy that is, to them, a finished advertisement. Their thinking is introspective, resulting in a sort of glorified picture of "what *we* mean to the customer." Any enlightened salesman will agree that this attitude is wrong. The logical prior consideration is the prospective *customer*—what the customer wants to use, possess, or enjoy; what the customer wants to read, see, and be informed about. For lack of this insight, many advertisers commit the grave error of trying to tell the prospect what the advertiser wants him to know, instead of what the prospect wants to know.

This introspective tendency, from which the error issues, is commonly known as the "manufacturer's viewpoint." It underlies all such outlandish advertisements as feature the factory or "puff" the proprietor. It is traceable in most advertisements

containing an element of no interest to the prospect. One should not confound this "purring" copy with institutional advertising, designed to sell the customer a new and favorable impression of the advertiser and often overcoming a prejudice or removing grounds for antagonism. Sometimes it creates a reputation. Sometimes it explains a policy, seeking to establish a friendly reception.

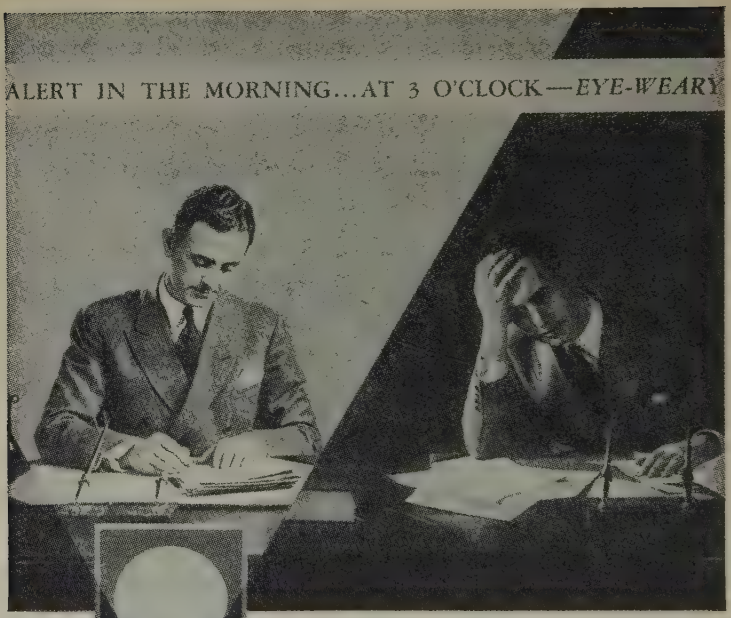
Advertising is designed to sell goods at a profit. It is justified in our economic system as the most inexpensive means of informing the millions of consumers as to what the selling world has to offer. It has been demonstrated to be cheaper and far more effective than any other means of enabling the millions of consumers to investigate what the advertisers have to sell. It follows that advertising is wasteful if it fails to convey some desired information to the consumer. The accepted procedure is to forecast sales, to budget distribution, and to harmonize production therewith. In business discussions the procedure is expressed in terms of market research and the study of consumers' wants.

The objective in advertising is to tell the consumer what he desires to know about his wants and how the advertiser can satisfy them. Such an undertaking must be commensurate, of course, with a prudent expenditure of the company's funds. The mutual relation of advertising and selling is pungently summed up by Ray D. Lillibridge, in the following statements:

(a) Selling starts the product toward the consumer.
(b) Advertising starts the consumer toward the product.
(c) They meet at the point of sale.

2. *Continuity in advertising.*—The advisability of continuity in advertising is debatable. Advertisers who solicit orders directly by coupon advertisements can demonstrate that continuity is accompanied by diminishing returns. They find it necessary to discontinue media for a time. On the other hand, a department store that breaks continuity may suffer an immediate loss of sales, and a renewal of the campaign may not meet with a fresh response. It has been demonstrated in the case of national advertisers that breaking continuity is sometimes irreparable. Breaks in continuity seem to use up advertising appropriations just as unduly as the stopping and starting of a locomotive uses up steam. A natural deduction is that those who find continuity wasteful should avoid it, whereas those who find continuity economical should cling to it. A study of the actual returns is needed for each type of business.

To the community at large, advertising is so much a part of everyday life that to discontinue it would be dangerous. Some businesses, such as the department stores, are absolutely dependent upon advertising. Others, like United States Steel, seem never to have needed to advertise. But the vast majority of business organizations can profit by advertising, and can profit to an extent commensurate with



Examine your lighting facilities, then write the Edison Lighting Institute, Harrison, N. J., and we shall be glad to send you free bulletins concerning proper illumination in your particular kind of business.

YOU may wonder sometimes why people in your establishment begin to slow down in mid-afternoon. Possibly you notice that they seem restless or weary, or complain about having headache.

Such manifestations are frequently due to faulty lighting. If your employees have to work in poor light, they are placed under a disadvantage *at your expense*.

Edison MAZDA* Lamps can always be depended upon to give the *full benefit of the current consumed*. It is advisable to use these tested lamps wherever good lighting is important.

*MAZDA—*the mark of a research service*

EDISON MAZDA LAMPS

GENERAL ELECTRIC

One of the Edison Mazda lamp series, in which continuity is maintained by showing, in each advertisement of the series, a beam of light emanating from a bulb.

the quality of their advertising. Advertising quality varies in close accord with the care taken in planning it.

In the business world, there is no more pathetic show of ignorance than the statement, "We tried advertising, but it did not pay." Here is *ipso facto* evidence of inadequate planning. If advertising could not have paid, planning would have disclosed the fact, and would have prevented a wasteful expenditure.

3. *Planning the advertising campaign.*—An advertising campaign may be defined as a series of connected advertising operations. It is most important that the steps of a campaign be taken up in proper sequence. Logically, the first step is to determine whether it will be economical to advertise, that is, whether it is cheaper to inform prospects by paid public messages than by private messages. The rather complicated processes of investigation known generally as advertising research, uncover new information, pertinent not only to the question of advertising, but also to the questions of selling, marketing, distribution, and even of production. Thus, in practice, advertising research encroaches on market analysis.

Advertising channels must be considered in relation to distribution channels. Customers are of four general classes: ultimate consumers, retailers, wholesalers, and producers. They can be reached through direct advertising, as by mail, or through indirect

advertising, as by periodicals, publications, radio, signs, etc. In indirect advertising, all four classes of customers may be reached to a certain extent by advertisements addressed to any one group.

The attempt to differentiate advertising according to the type of customer to whom its message is directed gives rise to a number of classifications. Those that are most frequently cited by advertising men are the following:

(a) *National advertising.*—This designates any advertising that is not limited to a particular geographic section.

(b) *Mail-order advertising.*—This type attempts the entire selling job, bidding for orders by mail. It may be either local or national in scope.

(c) *Industrial advertising.*—This is advertising of one producer to another, as of a porcelain manufacturer to a maker of electrical machinery.

(d) *Technical advertising.*—This is similar to the industrial type, but is directed to technical men as individuals.

(e) *Trade advertising.*—This advertising is directed to wholesalers, jobbers, retailers, or other agents of distribution.

(f) *Dealer advertising.*—This is advertising by the manufacturer to the consumer on behalf of the distributors, such as advertising of gasoline by an oil company to facilitate sales for gasoline stations.

(g) *Retail advertising.*—This is advertising by retailers, or dealers, to consumers.

(h) *Direct by mail advertising.*—This is any advertising distributed by mail addressed to a specific firm or individual.

4. *The choice of advertising media.*—The consideration of advertising channels, and of their relation to distribution channels, leads us to the matter of advertising media. The principal media are:

(a) Periodical publications of general circulation
  (1) Newspapers
  (2) Magazines
  (3) Trade and industrial journals and other publications
(b) Signs
  (1) Posters, boardings, wall-paintings, etc.
  (2) Electric signs: flashers
  (3) Car cards
  (4) Point-of-sale: store, window, or counter cards
(c) Radio broadcasting
(d) Stunts: skywriting, skycasting, movie slides, etc.
(e) Direct: by mail, by product package, house-to-house, hand-to-hand, etc.
  (1) Letters, folders, booklets, etc.
  (2) Catalogs
  (3) House organs
  (4) Samples
  (5) Novelties, etc.

With the many channels of distribution available and a large assortment of media, it is evident that there is no lack of means of reaching customers through advertising. The variety of terms used to designate these various classes of advertising is further increased by terms arising from copy styles, such as, "reason-why advertising," "luxury advertising," etc. It is apparent that the possibilities of

terminology in advertising are extensive, but, by recognizing the sources of such terms as channels, media, and copy styles, the reader will avoid any confusion as to their meanings.

Of the many factors entering into the selection of a specific medium, the most important are geographic distribution, volume of circulation, cost, buying power of readers, and reader interest. A final consideration in planning the advertising campaign is that of the advertising appropriation, and its apportionment to different classes of media and to the items of expenditure for copy such as art work, layout, text, mechanical production, etc.

The foregoing sequence of planning does not imply that every detail of research must be worked out before any detail of copy is considered. Many processes of the campaign plan progress concurrently. In memorizing a poem, it is not efficient to memorize each successive line before the next is read. One should read the whole poem, over and over, but always in the same logical sequence. So, in planning a campaign, the logical sequence is from consumer to producer, not from producer to consumer. In practice, the appropriation may be the first thing determined, but only because there is some past experience, based on the results of preliminary steps, for predicting closely what appropriation the campaign will warrant.

5. *Immediate and ultimate objectives in advertising.*—If the fundamental objective of all advertis-

ing campaigns is the same, namely, to inform the consumer of his needs and how the advertiser can satisfy them, what causes individual campaigns to differ one from the other? The answer lies in the existence of minor objectives, or "purposes," based on the psychological factors set up by human motives. Such motives are scrambled; fundamentally, one eats to sustain life; but that is not the real reason for eating bonbons.

At a directors' meeting, consequently, there may be absolutely no reference to the ultimate objective of a proposed advertising campaign. The immediate or special purposes will probably magnetize all attention. If the fundamentals are understood and assumed, well and good. If not, the campaign may be warped by some manifestation of "manufacturer's viewpoint."

Thus this almost philosophical distinction between ultimate and immediate objectives, so hard to delineate sharply, has a tremendously practical significance. To be unaware of it is to be without perspective, and to risk making fundamental errors. While we shall be concerned, in our further discussion, almost exclusively with immediate objectives, the reader should not lose sight of the fundamental purpose of satisfying the customer's needs.

6. *Purposes served by advertising campaigns.*— Most people are familiar with the introduction of the automatic refrigerator, gas and electric, for household use. This is a good example of a cam-

paign intended to influence public opinion in favor of a new product for everyday and general use. Once the *idea* of automatic refrigeration was sold to the public, the sponsors and manufacturers of automatic refrigerators devoted their advertising to selling particular kinds or makes.

The Outdoor Advertising Association of America contributed a complete showing of this poster (50,000 panels in 17,500 centers), following the 1929 stock crash, in an attempt to correct the public's hesitant attitude toward business enterprise.

A national distributor of meat products conceived the idea of packing entire cooked chickens and hams, all ready to serve, in sealed tin containers, and selling the idea to the housewife through advertising. This advertiser's campaign was directed to educating the public in new buying habits. Its success is a tribute to the power of advertising, rightly used.

The Life Extension Institute, an organization sponsored by many of the country's leading men, advertises extensively and successfully to sell the idea of prolonging one's span of life by means of

periodical physical examinations. They have nothing but an idea to sell, but it is a big one, and the services of the Institute are sold to the public exclusively through the printed word.

Everyone is familiar with the use of advertising by the national government to attract enlistments in the army and navy. During the World War, advertising was largely relied upon to stimulate our patriotism and to sell us securities. Churches, colleges, hospitals, charitable institutions, all call upon advertising to spread knowledge of their activities and their needs.

The use of oil for domestic fuel, as a substitute for coal, has been increasing steadily during the past decade. Before public acceptance could be counted upon, advertising had to be generously used. Today, the publications reaching those sections where the question of fuel is of importance are widely used to sell the fuel oil idea to the householder. The makers of the many types of oil burners each present the virtues of their product through advertising. Advertising has helped to put oil on a basis of equality with coal, and, as a result, the mine owners and distributors of coal have also called upon advertising to retain their market and to offset the inroads of the newer form of fuel. In the one case, we have had advertising to influence new and wider uses of a common, everyday thing; in the other case, advertising has been called upon to defend and retain a position that once was impregnable.

While the purpose of advertising is usually plain, it sometimes happens that advertising campaigns will have a different objective than the one they apparently seek. A campaign ostensibly directed to consumers may be solely to influence dealers. The manufacturers put their trade-marks and products before the public and create a demand for their wares. The dealer, believing that the consumer will be sold on the merits of the articles and will ask for them by name at his store, orders the goods so that he may be ready for the demands of his customers.

Some campaigns are intended to influence the employees of the advertiser. Salesmen sell with greater enthusiasm and have a greater pride in the concern that they represent, when they are backed up by advertising.

7. *Advertising to correct abuses.*—In special cases, advertising has been used to sell goods at a definite loss to the advertiser. Such a case occurred recently when one of New York's large department stores, Bloomingdale's, inserted the following advertisement in the metropolitan newspapers:

CIGARETTES—79¢ A CARTON OF TEN PACKAGES
BUT WHAT DOES IT PROVE?

Tomorrow we shall ring down the curtain. At nine o'clock we shall put on sale our entire stock of several thousand cartons of Lucky Strikes, Chesterfields, Camels, and Old Golds, at 79¢ a carton. They cost us $1.12. We couldn't stay in business long if we sold all or much of our merchandise that way. Neither can any other store. Cut-

ting the price on advertised or identifiable merchandise below cost, or below a figure that yields a legitimate profit, can only mislead the public. *Annual reports of most good stores show profits and they are not earned by selling below cost.* We don't pretend always to undersell our competitors. No store can do it. We do assure our customers that we try to keep our prices right at all times. There must be a limit to folly. We invite the public to observe whether any competitor will continue to sell cigarettes at any such prices, or will boost the price the moment we are out of the field. When common sense rules again, we shall resume selling cigarettes, as we sell all our merchandise, at prices that are competitively right.

In this case, although the merchandise featured was sold at a loss, the advertiser sought to establish some compensating benefit in the customer's mind. He wished, first, to discredit an abusive practice—the selling of merchandise below cost. And he wished to convince his customers that his store was as honest in its dealings as it was frank in this statement of costs and policies.

8. *Influencing public sentiment.*—Public service corporations are liberal users of newspaper space to increase the patronage of their products or services. Coming under this head are electric light and gas companies, who advertise extensively to keep the people of the communities that they serve informed of their activities and to suggest wider use of their products. Such advertising also serves as a creator of greater goodwill toward the corporations.

Traction companies use educational posters in their cars and on the stations of their lines. Sometimes the

text of these signs is propaganda to offset dissatisfaction with the service or to build a backfire against hostile politicians. The Interborough Rapid Transit Corporation of New York has been using such a poster in its cars for years, called the *Subway Sun.* It has been devoted, during the past few years, to selling the public the advantages of riding on the elevated lines owned by that company. The congestion in the subway is notorious; the elevated lines are not congested; hence the propaganda.

Everyone is familiar with the use of newspaper space and billboards during political campaigns to present the claims and virtues of candidates for office. With the development of the radio and its almost universal use, political campaigns are enlivened by frequent addresses by men running for office. By means of the radio, the political speaker reaches literally millions of people at one time, with the added advantage that it is practically a personal-contact message. The radio, likewise, has become an instrument of great influence in spreading governmental propaganda. During the Naval Disarmament Conference, in 1930, there were frequent broadcasts from London to the world at large, with the idea of telling the people the progress and prospects of the conference.

9. *Campaigns to influence customs and habits.*— Beginning a number of years ago, the manufacturers of cigarettes instituted a series of intense, aggressive advertising campaigns. The use of cigarettes

Sh! HE'S ASLEEP

ASLEEP on an Atlantic City verandah at three in the afternoon... a grown-up in a chair slumbering like an infant in a cradle!... slept nine hours last night and now at it again!... nothing wrong, only recuperating from overwork in the City... had a date for golf and has forgotten all about it ... sleeps oblivious of the chatter at the bridge tables ... dreams of solutions to problems that he left behind ... stirs at three-thirty, blinks the life about him and nods off again ... just a business man caught napping at Atlantic City... but you'll never catch him napping in town!!!

ATLANTIC CITY

Write to Any of the Following for Rates or Reservations

HOLMHURST-*A*	SEASIDE-*A*	BREAKERS-*A-E*
KNICKERBOCKER-*A-E*	SHELBURNE-*E*	BRIGHTON-*A*
MARLBOROUGH-BLENHEIM-*A-E*	STRAND-*A*	CHALFONTE-HADDON HALL-*A*
MORTON-*A*	TRAYMORE-*A-E*	CHELSEA-*A-E*
PENNHURST-*A*	WILTSHIRE-*A*	DENNIS-*A*
RITZ-CARLTON-*E*	AMBASSADOR-*E*	GALEN HALL-*A*

(*A*—American Plan *E*—European Plan *A-E*—Both Plans)

Home of a Hundred Hotels Offering the Comforts of Home

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More than 400 local communities in the United States are reported to be advertising. (Harvard Advertising Award.)

increased enormously. For a long time, the cigar manufacturers apparently were content to sit back and do nothing, but it finally dawned on them that the cigarette was cutting very seriously into the cigar business. Advertising was the logical answer to the question of what to do to hold the existing smokers of cigars, and to educate and influence new smokers to the advantage of the cigar. Another interesting aspect of the prolonged cigarette advertising campaigns was the effect of this advertising on the candy business. One of the largest cigarette companies advertised its cigarette as the thing to reach for, instead of a sweet, if one wanted to reduce one's waistline. This advertising led to many complications, and the candy makers, in turn, launched advertising campaigns to refute the implied claims of the cigarette advertising. Subsequently, the National Confectioners' Association reported that for the calendar year, 1929, the consumption of candy per person was a pound higher than during 1928.

10. *Campaigns for direct orders.*—A large part of advertising is intended to produce direct orders or immediate sales. Most of this advertising will be found in the local newspapers, where the appeal to buy appears over the name and address of the advertiser, as in retail advertising. In the city dailies, space is used for the direct appeal by department stores, retail stores, chain stores, and various types of specialty shops. In some newspapers will be found many advertisements of manufacturers who

"Homes are judged by their entrance halls . . .

and floors make or mar those important first impressions"

says LURELLE V. A. GUILD
Author, Artist, Designer

"Any room," suggests Mr. Guild, "can be easily dressed up with a fashionable Armstrong Floor." Here you see how it is done in a Colonial entrance hall. Features of this floor are the ship Linoist and Linostrip border.

IT'S so easy to criticize a room . . so hard to suggest how to improve it. Entrance halls in particular—they're usually small, odd-shaped, difficult to decorate How can you make such a room a bright introduction to your home?

Mr. Guild comes to the rescue with a very practical suggestion. "Put the floor to work in your decorating plan." Then he shows us how to do it by designing this attractive entrance hall for a fine old home in Connecticut.

"The only unusual thing about this hall is the floor treatment," says Mr. Guild. "It gives breadth to a room that is otherwise very narrow. Its bright color contrast is a welcoming touch. And it's the kind of floor that doesn't get that down-at-the-heels look. Yes, it's Armstrong's Linoleum."

Perhaps that easy-cleaning virtue has already made you half decide to see about Armstrong's Linoleum for your home. Why not start with such a floor in your hall? It won't cost much. It will help those first impressions of the other rooms. And it *will* save needless floor-cleaning drudgery, for the Accolac-Processed surface is spot-proof. Dirt wipes right up. Wax it if you wish—or restore the surface occasionally with Armstrong's Linoleum Lacquer. (Do not lacquer over wax.)

A whole bookful of model rooms awaits your request. *"New Ideas in Home Decoration"* it is aptly called. Hazel Dell Brown, its author, describes these rooms and offers to help you plan yours. Many of the latest Armstrong designs (now on sale at good department, furniture, and linoleum stores) are shown in color. Just send 10¢ for mailing. Armstrong Cork Company, Floor Division, 929 Nevin Street, Lancaster, Pennsylvania.

Armstrong's (A) Product

Armstrong's Linoleum FLOORS

for every room in the house

PLAIN . . INLAID . . EMBOSSED . . JASPÉ . . ARABESQ . . PRINTED . . *and* ARMSTRONG'S QUAKER RUGS

People are prone to think of linoleum as a floor covering. Here is part of an educational campaign to correct that viewpoint and educate consumers to the use of linoleum as floor surface. (Harvard Advertising Award.)

do not sell direct to the consumer, but who are so well represented by local distributors that they advertise to stimulate sale in the locality covered by the newspaper. Many advertisers who have no retail outlets in certain sections sell there direct by mail. Their advertisements frequently close with a statement like:

"If your dealer cannot supply you with (so and so), send us (price), and we will mail it direct to you."

Perhaps the best examples of national mail-order advertising will be found in the announcements of the large mail-order companies, from whom one may buy anything from a packet of pins to a house. A large part of mail-order advertising is in the book field, in which single volumes and complete sets are sold direct by mail. In this particular field are the various book-of-the-month clubs, through which subscribers receive each month the best book of that month as judged by a jury of prominent literary authorities.

Many campaigns are aimed ostensibly at the consumer, when, in reality, the dealer as well as the consumer is the advertiser's objective. The advertising of Socony gasoline is a good example of this. The Socony line and trade-mark are advertised so generally, in some parts of the country, that the majority of garages and service stations have been compelled to stock Socony to meet the demands of their customers.

For many years one of New York's largest department stores refused to handle trade-marked articles, preferring to place its own labels on products in many departments. Continued demand for nationally advertised, trade-marked products forced them to let down the bars, until today the trade-marked articles far outnumber the private brands of the store.

11. *Campaigns to divert or anticipate demand.*— It frequently happens that the sales of some article, once in vogue, languish because of vigorous competition or of a change in popular fancy. For instance, it was generally thought that the perfection of the automobile and its quantity manufacture, at reasonable prices, sounded the death knell of the bicycle. For a long time, bicycle manufacturers found very little demand for their product. An intensive advertising campaign revived interest in bicycling. While the results of this campaign are not so apparent in the large cities, bicycle sales throughout the country have experienced a new life.

Many manufacturers are becoming increasingly alive to the desirability of cultivating markets in the making. They realize that the boys and girls of today are the men and women of a few years from now; that they will be the heads of families, and will do the buying of the thousand and one things that enter into life. They are, therefore, now cultivating the market to which they will appeal several years from now, by making these younger people

acquainted with the names and trade-marks of their products.

12. *Meeting competitors' campaigns.*—The astute advertiser always knows what his competitors are doing in advertising, but recognizes the danger of imitating them. An advertiser who imitates his competitor's advertising is trifling with a boomerang. He helps the competitor more often than himself. People are quick to perceive imitation in advertising, whether it be in the illustration, the text, or both.

Many cases are on record where, with two competing products of almost parallel merit, one competitor got the jump on the other by unearthing a new talking point or a new use for the product. Of course, after his advertisement had appeared, it would have been sheer folly for his competitor to make a similar claim. In advertising, as in football, the strong attack is likely to be one of the best defenses. It is a mistake to conclude that, because the competitor covers certain points in his advertisements, these are the most profitable ones to use. Finding new uses or new talking points for one's own product is the most effective way to meet any competitor.

13. *Campaigns to pave the way for salesmen.*—A certain line of silk hosiery is sold exclusively by house-to-house canvass. The manufacturers promote a national advertising campaign, in which they outline the merits of the hosiery, and stress its features of style, comfort, durability, and economy. The reader is told how the hosiery is sold and asked to

be on the lookout for a salesman. This is an excellent introduction, paving the way for the salesman's call. The manufacturers of vacuum cleaners, likewise, recognize the value in their advertising of preparing the way for the salesman.

The Fuller Brush Company goes even farther. They illustrate the salesman's call, in their advertisements, show a reproduction of the salesman's identification badge, and go to great lengths to make the housewife understand how helpful a Fuller salesman can be in advising her about the selection of brushes. Furthermore, showing the coherence of the whole campaign, the salesman will often call and introduce himself the day before he intends to bring his wares. Thus the housewife has not only an introduction through advertising, but she has met the salesman before he brings a single brush to her door. There is all the difference in the world between a salesman making a "cold" call, and one armed with a letter of introduction.

14. *Campaigns to promote new uses for a product.*—The more uses a manufacturer can discover for his product, the wider his market. Perhaps the most brilliant example of this truth that has appeared within recent years is that of yeast. For years, its consumption was limited to bakers and to housewives who baked bread. Then came the discovery that yeast possessed distinct qualities of a medicinal value. The market was immediately enlarged from the restricted field of bakers and bread makers to the mil-

lions of individuals who could be appealed to from the angle of better health. Physicians' endorsements lent authority to the claims made by the manufacturers. New channels for retail sales were opened. Yeast cakes, which once were on sale only in grocery and delicatessen stores, are now sold at drug stores, soda fountains, lunchrooms, etc. The manufacturers overcame the objection to the unpalatability of yeast by advertising, showing how it could be taken pleasantly in beverages. A new habit was created by this campaign and sales were multiplied. Thousands of packages of other food products are sold today, because the manufacturers advertise new uses for them, by giving recipes and showing tempting illustrations of dishes in their advertisements.

Three-in-One Oil came upon the market at about the zenith of the bicycle craze. It was introduced primarily as a bicycle-lubricating oil and as a preventive of rust. With the threatened passing of the bicycle, the manufacturers sought new fields for their product. The housewife was told to use Three-in-One Oil on her sewing machine, and on her dust mop and vacuum cleaner. It was advertised as a window and furniture polish. The sportsman was told to use it on his guns and fishing tackle. New uses were discovered from time to time, until today every bottle that is sold is wrapped in a little paper that specifies seventy-nine uses for Three-in-One.

Listerine, an antiseptic, originally offered as a gargle and mouth wash, for years was advertised to a

restricted market. Then came a campaign commending Listerine for unpleasant breath. New vitality was given the campaign when a clever advertising man discovered a single medical word for unpleasant breath, halitosis. Up to that time few knew this word. If you would test the power of this campaign, try to find someone who does not know it now.

Were Listerine advertised today as in former years, its sale would be limited to those suffering from throat infections. Today, it is used not only as a gargle to cure an occasional sore throat, but as a matter of daily habit to prevent sore throat, as an antiseptic and healing agent for cuts and scratches, as a breath purifier, as a deodorant for perspiration, and as a treatment for dandruff.

It is probably well to introduce gradually the new uses of a product. If too much is claimed at first, people will rightfully be skeptical. They will class the product with the old medicine man's panaceas, good for all the ailments of man and beast, and will hesitate to buy it.

15. *Hidden purposes.*—Advertising campaigns often veil a purpose other than appears on the surface of the advertising. For example, a manufacturing business was for sale—factory, stock, and goodwill. A prospective buyer's offer was $700,000 short of the asking price. The owners of the factory launched a big advertising campaign for their products, merely to influence the prospective purchaser by showing him how progressive the business was.

The plan was successful and the sale was consummated.

A campaign advertising a single product is frequently put on to open the market for other products manufactured by the same advertiser. For example, one company advertises embroidery patterns to sell silks. Some time ago, a large electric light and power company, in the East, ran full-page advertisements offering an electric iron much below the regular retail price. If the company lost any money on the irons that they sold, they more than made up the deficit by the increased use of power on the part of the consumers who bought the irons. A large baking company offered electric toasters at cost. Their business was not selling toasters, but selling bread. They knew that more bread would be sold to every home that was equipped with a toaster.

The Eastman Kodak Company knows that every Kodak sold means a potential buyer for an indefinite amount of film. Makers of flashlights, safety razors, and dozens of other advertisers make their big profits, not on the sales of the containers, but on the refills.

A well-conceived advertising campaign is a valuable asset. A manufacturer seeking accommodation from his banker is, of course, asked to submit a financial report of his business. If he can show money being wisely expended for advertising, it often increases his prestige with the banker. The banker looks upon the advertising campaign as an auxiliary sales force. He feels that he is dealing with a pro-

gressive concern. It is not uncommon for bankers to make concessions, and to extend the borrowing capacity of a customer, when they know that the money borrowed is to be competently invested in an advertising campaign.

REVIEW

Name in logical sequence the principal steps in a campaign.

Distinguish between technical and industrial, trade and dealer, and mail order and direct by mail advertising.

Differentiate between the fundamental objective and the immediate purpose of five advertising campaigns with which you are familiar.

Eastman Kodak Company once advertised to give away a Kodak to every twelve-year old child in the United States. On what economic grounds might this campaign be justified?

NOTE: The review questions throughout this Volume are for the personal convenience of the reader in testing his understanding of the chapter. It is not necessary or desirable for subscribers to submit written answers to the Institute, except in a case where they may feel uncertain as to their grasp of the question under consideration.

CHAPTER II

WHO ARE YOUR CUSTOMERS?

1. *Who will buy the product?*—The manufacturer must first visualize the people who compose his market. There are very few products that appeal with equal force to men and women, young and old, rich and poor. Not all products make the same appeal in all sections of the country. The manufacturer of steam radiators and central heating plants would find no market existing in Florida, nor would this state be a profitable place in which to sell ice skates, mackinaws, skis, sleds, or hockey sticks.

The manufacturer must analyze his market with these things in mind. He must determine what people he is going to address before he begins to talk. Otherwise, he may resemble Demosthenes practicing oratory on the beach. Haranguing the air and the waves may be the best sort of training for addressing people, but an advertising campaign is too costly to be used as a training school.

A further analysis may be necessary, according to the nature of the product. Some manufacturers produce articles that can be sold successfully only to city dwellers, while others have to disregard that mar-

ket and sell to the suburbanite and the farmer. Sometimes urban and suburban markets overlap. There are many articles that appeal as strongly to the city resident as to the inhabitant of the most remote hamlet. In making the market analysis, people are the profitable subject to investigate, rather than territory. Potential markets may be overlooked, if fields are limited too rigidly.

A good story is told of a manufacturer of windmills who had a hustling young salesman with a territory covering New York State. After the salesman had made a selling trip to the farming centers, he surprised his employer by reporting that he had spent several days in the financial district of New York City. The employer said, "You are wasting your time among the brokers." But the salesman demonstrated that the employer was wrong, by the best possible proof—a number of substantial orders. The astute salesman knew that many wealthy New York business men owned country estates where there was no water supply other than wells. He made it his business to seek out the prospects of this class in the city, and sold them.

The analysis of markets may extend even so far as to classification by religion. A manufacturer of rosaries, scapulars, crucifixes, and similar articles would find his market only among the people of the Catholic faith. Other products, such as drawing instruments and surveying instruments, would find their market confined largely to architects, engineers,

and draughtsmen. Other products appeal only to professions, such as dental and surgical implements and medical books.

We could go on indefinitely, showing how the great mass of people comprising the population of any country may be divided and subdivided in analysis of demand for a given product. The point is that an advertiser must clearly define his market, and direct his advertising to that market, to make it most productive of results. Appeals directed to logical prospects have a reasonable chance of hitting the mark, but every appeal to persons who are not prospects is wasted ammunition. The advertiser should never fire without first aiming.

2. *Classes of consumers.*—Once the groups of prospects are determined, it is necessary further to make a careful study of these groups. Fortunate is the manufacturer whose product is such that it makes its appeal to all classes—rich, middle, and poor. The little child from the tenements is just as much a prospect for Life Savers as the wealthiest school miss. Between these two extremes is the great middle class —all prospects for the purchase of the little mint with the hole.

Some products, such as pipe organs, high-priced motor cars and motor boats, *objets d'art,* etc., can be bought only by the wealthy. But keen advertisers long ago learned that there is a field for the sale of such articles beyond that reached by the media read by the well-to-do. There is always a liberal sprin-

kling among the so-called middle and lower classes of society who have ample means to indulge in luxuries, and who wish to ape those in more exclusive social strata. These people have been reached, and are being reached, by manufacturers whose markets were formerly confined to the very wealthy class. Many manufacturers of luxuries, such as perfumes, "advertise to Fifth Avenue" in order to sell to the middle-class districts. The war made wealthy many who had never imagined that their dreams of wealth would come true, and today the manufacturer of the high-priced radio set is as likely to find fertile ground among these for his advertising seed as among those whose position in society is long established. Of course, such prospects are the exception, rather than the rule, but they are present in numbers large enough to warrant an advertiser's consideration, when analyzing his market.

Many products and services appeal equally to women and men, such as automobiles, musical instruments, games, travel, stationery, clocks, books, golf and other sporting goods, fountain pens, pencils, eyeglasses, cameras, and garden products.

3. *Studying consumers.*—How, when, where, and why the consumer buys must be known, in order that the advertiser, wholesaler, or retailer may reach these consumers with his appeals. He must know, not only the people who actually do the buying, but also those who influence it. Men usually pay for automobiles, but children and women largely influence the choice.

The question as to the precise group of people who should be the chief targets of the selling appeal is often a nice problem, requiring great care in the solution. A large canning company on the Atlantic coast finds that practically its entire output of canned fish is consumed in the inland states, where fresh fish are seldom found in the markets.

Far-seeing advertisers are taking advantage of the present to instil in the minds of the rising generation the name, trade-mark, and virtues of their products. They realize that the children of today are the men and women of tomorrow, and they are building prestige and goodwill with this future market. Their advertisements in juvenile publications are often duplicates of their appeal in other media. It is no uncommon instance for parents to discover that their children have already formed a preference for this or that product, and to ask for it by name, reciting its merits. This is particularly true of articles of juvenile wearing apparel and of food products.

4. *Characteristics of distribution.*—A manufacturer is vitally concerned with the characteristics of the distributors of his product, inasmuch as the success of his business depends to a large extent upon the way the product is handled by the man who sells it to the public. The manufacturer makes the goods, but usually jobbers, wholesalers, and retailers sell them. The manufacturer goes as far as he possibly can to create a consumer demand for his wares, by national or localized advertising, but the sales that

keep the goods moving from the factory to the user are made, in the last analysis, over the counter.

The wise manufacturer impresses upon his salesmen the wisdom of not overstocking a retailer. At the same time, he is careful to examine into the reputation of the retail outlets that his salesmen select. If a manufacturer who sells direct to retailers is desirous of maintaining a retail price, and a retail house is known to be a price-cutting house, he may refuse to sell. The question of price maintenance in the United States has been the subject of several Federal bills that have been dragging through Congress for the last ten or twelve years without coming to a vote. The legal right of a manufacturer to fix the retail price of his product has not yet been established, and may never be. At present, there is no legal restraint against his selecting his customers and refusing to sell, even for cash.

5. *Developing demand.*—When an article is unknown, the logical step is *to make it known.* An advertiser who comes into the market with a new product must spend a large amount in educational advertising. He must familiarize the buying public with the nature of the article, what it is, what it does, and how it does it. Most of us can recall when such articles as radio receiving sets, tractors, paper drinking cups, adding machines, and vacuum cleaners were distinct novelties. Persistent advertising is largely responsible for the fact that they are no longer novelties. There was a time when people would have ridi-

culed the suggestion that bran was a toothsome and appetizing breakfast dish. Advertising changed the ridicule into acceptance, and today Post's "Bran Flakes," Kellogg's "Pep," and many other equally well-known products are accepted by millions of people. Consistent educational advertising created a demand which makes them almost a necessity in many homes.

Monday has been the universal washday from time immemorial. For years, it was almost a tradition that no woman would consider a change. This superstition, for that was all it was, proved to be a great detriment to the laundry business. Laundries were crowded with work on Mondays and did not have enough work on other days. The American Laundry Machinery Company set out to overcome this ancient, fixed habit of Monday washdays, and to distribute the work of the laundry more evenly. To that end, they ran a prolonged advertising campaign, which finally educated the woman in the home to the very logical idea that there were five washdays in the week —Monday, Tuesday, Wednesday, Thursday, and Friday.

The manufacturer who is alone in his field is really at a greater disadvantage in putting over a new product than if he had competition. If there were but one manufacturer of radio receiving sets instead of dozens, as there are, the lone manufacturer would find it slow, up-hill work to educate the public to the pleasures of radio. As it is, every radio manufac-

turer's advertising has helped to sell radio generally to the public, and it has been an easier process for each individual manufacturer to get his story over to a "radio-wise" audience. The same holds true of motor cars and many products of the past decade. There is hardly any doubt that Mr. Heinz sells more peanut butter because of Beech Nut and the other brands. Were Mr. Heinz alone in the peanut butter field, he would, in spite of his reputation and the popularity of his other food products, have to educate the people to the delights and advantages of peanut butter. A woman who enters a store today for peanut butter is familiar with many brands, through advertising, and accepts any one of them with confidence.

The Taylor Instrument Company at one time sold its products only to physicians, hospitals, drug stores and industrial plants. In recent years, through a campaign of educational advertising, it has not only made every mother in the country a prospective purchaser of clinical thermometers, but has sold thousands of other types of thermometers through the department stores and the drug stores.

To attract to the particular product a part of the demand that already exists, the advertiser must plan his advertising so as to focus attention upon his product. He must show why his product is superior in quality. He always seeks, by persistent repetition, to associate his name or his trade-mark with the species of article to which it belongs. Many of us

have to think twice to recall that there are automatic pencils other than Eversharp, or cameras other than Kodak. Twenty years ago, if you were asked to give quickly the name of a fountain pen, it is most likely that the name of Waterman would flash into your mind. Today you can probably name a half-dozen fountain pens without having to tax your memory to any great extent.

A manufacturer of a cleaning fluid has won a considerable part of the existing demand for cleaning fluids, by stressing the non-explosive and unburnable qualities of his product. So persistently did he drive home the warning against explosive, inflammable cleaning compounds, that many of his competitors were forced to change the formula of their products so that they, too, could advertise that their cleaning fluids were safe to use.

At first, advertising can create new wants and an advertiser can get new business, without diverting it from his competitor. As time goes on, however, the competitive factor is likely to become more and more important.

6. *Educational campaigns.*—When a product is a decided innovation, it is necessary to advertise its advantages in general. This the advertiser can well afford to do, secure in the knowledge that he has no immediate competition. When the Dictaphone first came on the market, such advertising as was done attempted to sell the idea that machine dictation is superior to dictation to a stenographer. The manu-

facturers complicated their advertising, however, by concentrating too greatly on the mechanical aspects of the new method, so that a prejudice was built up against machines. Later, the manufacturers dropped the mechanics of the process, and devoted their sales and advertising message to selling the convenience, economy, and ease of dictating to the Dictaphone, and the greater comfort and efficiency of the stenographer who took her dictation from it. In this case, the early advertising was educational, but it was the wrong sort of education for the prospective users of the method. When the manufacturers changed their appeal, the results were correspondingly greater.

When the makers of the Corona typewriter first advertised to the public, they stressed the convenience of portability. Today, there are many other portable typewriting machines on the market, and Corona advertising has taken on an air of individuality. The Ruud water heater, in its earlier advertising, sold the convenience of instant hot water. Today, in the face of competition, its advertising is designed to sell Ruud hot water heaters.

There are very few products on the market today that are made exclusively by one manufacturer. Those that are will be found to be, almost without exception, patented articles that stand off imitators. As soon as a new product appears, and people are shown its uses and advantages, it is not long before it is followed by one or many similar articles. As a general rule, however, most persons are inclined to

favor the pioneers, unless subsequent products show marked improvements and advantages over the original.

7. *Diverting demand.*—Frequently a manufacturer who has enjoyed practically a monopoly in his field has to face the competition of new products. If his product has particular and individual advantages, he must emphasize them more strongly than ever. Fortunately for such advertisers, people are largely creatures of habit. They will continue to demand the style or brand they have been accustomed to buy for years, in spite of the alluring copy appeals of the new advertiser. Nevertheless, established houses that have done business for half a century or more, without advertising, have frequently been forced to adopt advertising as a protective measure against the inroads being made by newer, advertised products. Only a few years ago, one of the oldest paint manufacturing concerns in the United States published its first national advertisement.

8. *Repeat orders.*—The "turnover" of a product must be taken into consideration in planning the advertising campaign. A product that is designed to sell once only, and to last a lifetime, does not call for the same sort of advertising as the one that is being sold, consumed, and replaced continually. The saturation point of the one is reached at some time, when further advertising would be waste. For the other, it may appear that the saturation point will never be reached. Of course, very few articles are made that

can be expected never to wear out and require replacement. But there are some few that, being sold once, can depend upon new markets only as population increases, and as one generation gives way to another.

An interesting example of reaching the saturation point is bread. When bread advertising started in earnest, which was only about fifteen years ago, 50 per cent of the bread was made at home. During the last fifteen years, the commercial baker has secured practically all of the business that was previously shut off from him by the habit of home baking. A recent survey shows that now less than six per cent of the bread is baked in the home.

How long will it be before a customer comes back for more? Products such as soap, foods, toilet preparations, etc., being used up constantly, need frequent reminder copy to keep the demand steady. Other products that are seasonal require concentrated advertising effort during the season when demand should be active, or before it. An examination of the advertising pages of the magazines will show various illustrations of how advertising is planned to take the best advantage of seasonal demand. For instance, a fall or winter issue of a magazine will contain advertisements of furs, stoves, sweaters, warm gloves, etc., while a spring or summer issue will contain advertisements of fly screens, electric fans, ice cream freezers, summer clothing, sporting goods, etc. Manufacturers of products for all-year-round con-

sumption adapt their advertising to the seasonal appeal. Advertisers, whose sales are heavier at some periods of the year than at others, frame their appeals to create a constant year-round demand. A good example of this was the advertising of Coca-Cola, in which the keynote was, "Thirst knows no season."

9. *Increasing uses.*—In the preceding chapter we related how Three-in-One Oil and Listerine had advertised new uses for their products, in order to increase sales. The manufacturer who can discover new uses for his product is not only in a more firmly intrenched position in his established market, but he is in position to extend it. Frequently, new uses will develop a new market. Old Dutch Cleanser, advertised to the housewife for cleaning floors, woodwork, bath tubs, and kitchen utensils, breaks into a new market in the industrial field, and advertises in business publications and trade papers its uses in shop and factory for cleaning machinery and for cleansing workmen's hands of grime.

As an opposite instance, a product breaks into the household field, after selling to the industrial field. The American Steel Wool Company for years sold its product (steel wool) to machine shops and to builders, who used it as a weatherproof and fireproof filler. Then they entered the home market, put up steel wool in packages, christened it "Brillo," and advertised it to the housewife for cleaning pots and pans.

The manufacturers of blasting powders, whose product formerly found a market only among contractors, excavators, quarries, etc., broke into the farm field by showing the farmer how he could expedite the removal of tree stumps by blasting, instead of digging them out or using stump-pulling machines. They even went a step farther, and showed that the use of their blasting charges exerted a chemical influence on the soil that enriched it.

Our grandmothers probably used disinfectants only in case of contagious diseases in the home. The modern housewife has been shown, through advertising, that soap and water floor-scrubbing is insufficient, and has been told to add Lysol or C.N. to the water in the scrubbing pail. This educational advertising has increased the sales of the two products, and has contributed toward making homes more germproof.

The Dennison Manufacturing Company continually advertises new uses for its products. Crêpe paper, once used merely for decorative purposes, has been advertised as suitable for the making of an infinite variety of articles, ranging from artificial flowers to lamp shades, and even to articles of furniture and clothing.

10. *The family of products.*—After a product has once won popular favor, gained the confidence of its users, and established a reputation, it is an easy matter for the manufacturer to add another member to the family. The newcomer enjoys the benefit of the

reputation already made, and rides into popular favor on the strength of it. A splendid example is the Heinz "57 Varieties." Another is Quaker Oats, thanks to which Quaker Puffed Wheat found a receptive market with a public whose confidence had been won by the oldest member of the family. Colgate made soap for years before introducing dental cream and talcum powder—but the Colgate reputation was a sufficient guaranty for the new products, and also for any future additions that might be made to the Colgate line.

Such well-known names as Bauer & Black, Johnson & Johnson, Squibb, Lambert, Lehn & Fink, McKesson & Robbins, and dozens of others in the medicine and toilet-goods field, Stewart-Warner in the auto accessory field, or Kleinert in the rubber-goods field, are sufficient to convey a conviction of worth and dependability to anyone who sees these names as sponsors for new products.

11. *Advertising in season.*—In planning an advertising campaign, the advertiser must take into consideration not only the time when the dealer is in the market to purchase his goods, but also the time when the consumer is ready to buy from the dealer. Straw hats are purchased in the winter by the dealer who sells them in the summer. Haberdashers buy their stocks of summer underwear long before spring and their winter goods long before fall. All this must be taken into consideration by the advertiser, especially if he adopts the practice of most wide-

awake advertisers, of selling the dealer on the advertising that he is going to do to stimulate consumer demand. Most experienced advertisers prepare their material so well in advance of actual publication, that their road men are equipped with portfolios of complete advertising campaigns, which they bring to the dealer's attention when making their regular selling calls.

When goods are sold to consumers only at certain seasons of the year, or when seasonal sales predominate, buying policy based chiefly on the desire for rapid turnover is often impractical and dangerous. There are many kinds of goods in this class—furniture, straw hats, jewelry, rubber footwear, clothing, and sport equipment, to name only a few of the outstanding examples.

The general practice in the marketing of seasonal products has long been based on the policy of advance orders from retailers, placed months before the beginning of the consuming season, and determined by the retailer's expectations of seasonal demand. During the long period of generally rising prices, this policy was adhered to with little variation in most seasonal industries. When prices began to move downward, some dealers questioned the soundness of the policy, and were tempted to withhold orders until seasonal demand prompted immediate purchases. Advance orders for seasonal goods are essential to the welfare of manufacturers, dealers, and consumers alike.

REVIEW

State some of the considerations to be borne in mind when analyzing the prospective market for a product.

From the advertising viewpoint, discuss the relative advantages and disadvantages of being the only manufacturer in a given line.

Contrast the policy necessary to launch a new product with that required in a campaign to increase sales of a product that is already known.

Compare the advertising strategy to be used in introducing a "repeat sale" product with that for a "one sale" proposition.

Explain the advantage accruing to a "family of products."

CHAPTER III

MEETING COMPETITION

1. *Importance of studying competition.*—Archery is a sport that calls for skill and practice and a good right arm, but an archer may shoot a quiver full of arrows at the bull's eye and pay little or no attention to what a competitor is accomplishing. On the other hand, a tennis player cannot forget his opponent for one second. The one game is far more competitive than the other. Advertising is a part of modern business in which competition is the very essence. It is not enough for the advertiser merely to study and compute the possible demand for his own product. He should know as accurately as possible what his competitors are doing to satisfy the demand. Accurate knowledge of this kind is useful, not only in advertising, but also in determining the entire sales policy.

Much that passes for information concerning what competitors are doing is mere gossip and practically worthless. It is difficult to obtain reliable information about one's competitors, but this should be no deterrent to making the effort. Of course, if the purpose of seeking this information is merely to copy others in advertising, it is so much time and money

wasted. Constructive business policies may be built upon research but not upon imitation.

To the advertiser who blindly copies his competitor's type of advertising, who patterns his appeal along similar lines, we must point out again the all-important objective. Behind the competitor's advertising may be a purpose far different from that of the man who would copy the advertising. Not knowing the purpose, the plagiarist is in very much the same position as the man who would take, without a physician's advice, a drug prescribed for another patient. What will prove beneficial in one instance may and probably will be injurious in another.

Advertising must be fitted to the requirements of the particular advertising problem. If there were such an advertising panacea as a cut-and-dried pattern of advertising, then, on this principle, the canvasser who comes to your door to sell your wife a one-volume edition of the complete works of Shakespeare could successfully copy the methods of the huckster who simply calls "fresh vegetables" from the seat of his wagon.

Too many advertisers have a habit of dismissing the question of meeting competition with the complacent remark, "We have no competition." This would be important, if true, but it is seldom true. The fact that another concern may make an article inferior in quality to yours is no proof that it does not compete with yours on the market. It may be an entirely different product, yet it may compete with

Never again need you regret
that evening cup of coffee!
MAKE THE
NIGHT
TEST!
EVEN if coffee does keep you awake, that steaming, fragrant cup of after-dinner coffee is a temptation. And all too often it's a temptation you can't resist. With the result that you toss sleeplessly and ask yourself reproachfully: "Why did I ever drink it?"
But now you can yield to coffee's temptation—without regret. For you can now have coffee from which has been removed the one ingredient that ever robs your sleep—caffein. Drink Sanka Coffee—genuine, delicious coffee with 97% of the caffein removed. Learn the joy of being able to enjoy coffee at any hour—without paying the price of sleeplessness!
Yes, genuine, delicious coffee!
Sanka Coffee is genuine coffee—a blend of the choicest Central and South American coffees grown. Nothing is added—only caffein is removed. And it is delicious. It is spicy in flavor—tempting in aroma—full of coffee's old-time goodness.
Drink it and discover, as have so many others, that caffein never added anything to coffee's flavor—never even added to that immediate sense of satisfaction a cup of coffee gives. That comes from the warmth and flavor of the drink itself. Drink Sanka Coffee and you will agree with coffee experts that no other blend is finer
Endorsed by physicians
Physicians here and abroad endorse Sanka Coffee whole-heartedly. They recommend it to patients who cannot drink other coffees because of caffein's effect upon their sleep, their nerves or their digestion
Your grocer carries Sanka Coffee—ground or in the bean—in pound cans that preserve its freshness and its fragrance. He sells it, furthermore, on this money-back basis: "If, after a thorough trial, you are not fully satisfied, simply return what's left and we'll cheerfully refund the full purchase price."
What more could you ask? Delicious coffee and refreshing sleep! Get a pound of Sanka Coffee this very day.
MAKE THE NIGHT TEST!
The first time you try Sanka Coffee drink it at night. It won't keep you awake. Next morning you'll know, from actual experience, that you've discovered a delicious coffee you can enjoy morning, noon and night—without regret!
© 1929 S. C. Corp.
SANKA
COFFEE
Genuine
SANKA COFFEE
Delicious
WITH 97% OF THE CAFFEIN REMOVED

Here is genuine coffee meeting the competition of coffee substitutes by appropriating the latter's own campaign strategy.

yours by making its appeal to the same type of consumer who would try yours. Silver plate competes with solid silver, oilcloth with linoleum, the asbestos roof competes with slate and copper roofs, and

so on, indefinitely. Dozens of manufactured articles that provide the prospect with an alternative can rightly be said to compete for his patronage.

The wise advertiser will study his competition just as carefully as he does his own product and his own selling efforts, but with the idea of strengthening the individuality of his own advertising rather than with any thought of adopting part of the individuality of another. He must show or imply in his advertising the advantages which a person would enjoy from the use of his product—advantages that he might miss were he to spend his money for a competitor's line of goods. Such products as typewriters, safety razors, toothbrushes, cosmetics, hosiery, shoes, and men's hats come within the definition of things that are highly competitive.

2. *Comparisons with competition.*—In studying competition, the advertiser should measure each method of the other man against his own, and judge between them. Stepping out of his character as a manufacturer, he should analyze the situation from the viewpoint of an outsider. He may picture himself, for instance, as a dealer, and decide whether his product will be as quick a seller as the products of his competitors. If it will not be, where is the weakness? How can it be corrected? Analysis should be made of the advertising appeals to the consumer, placing them side by side with the advertising appeals of competitors. From the consumer's standpoint, does the advertising of his competitors' attract

more attention, hold greater interest, and create a stronger desire for possession than his own advertising?

3. *Comparisons of goodwill.*—The advertiser should ascertain, as nearly as possible, how long competitors have been advertising to the trade and to the consumer, how much they have spent in advertising, and in what territory they have advertised. Some advertisers feel that they have a basis for estimating the goodwill enjoyed by competitors if they have a knowledge of competitors' advertising activities. Nothing could be more erroneous than such a belief. Knowing the advertising schedules of competitors will not help an advertiser to know the friendships which these competitors enjoy with the trade. It is these friendships that build goodwill, and with which an advertiser must be familiar before he can lay plans for building up goodwill in the interests of his own product.

Any number of cases could be cited of new concerns attempting to market a product in the face of competition, when the goodwill of their competitors was so impregnable as to force the new arrivals to withdraw from the fight. Goodwill may also permit a manufacturer to market a new product in opposition to the competition of new concerns in the field. For years De Long hooks and eyes held leadership at notion counters. Along came the snap fastener. Women all over the country responded to the appeal of the new convenience, and to the urge of the slogan

used by one of the makers of snap fasteners, "Good bye, old hook and eye." But the De Long Company did not go out of business. They fell in with the procession, began making snap fasteners, and the name of De Long was all the average woman needed to see, to enlist her confidence and secure her purchase.

4. *Comparisons of reserve strength.*—Von Moltke, the elder, the great German chief-of-staff, said that no one strategical plan survives in detail the first encounter with the enemy. The most carefully and minutely planned campaign is likely to fail through the effects of unforeseen conditions. The same principles apply in planning and executing advertising campaigns. For this reason, strategical planning ought to embrace reserve plans to meet as many contingencies as possible. The bicycle and roller-skate manufacturers could hardly have been expected to anticipate the decline of those once popular sports.

Business is, in fact, an economic warfare full of surprises and unexpected reverses. This uncertainty about the future necessitates the making of plans for many contingencies. The situation calls for:

(a) Advance knowledge of new tendencies and plans to meet them
(b) Training the organization to insure the ability of meeting emergencies
(c) Understudying of all important officers and employees
(d) Insuring against fraud by employees or undermining by business enemies

We've put RUBBER HEELS

on B & O *cars*

ONE of our people—as often happens with us—brought forward an unusual suggestion that makes for even greater smoothness in the riding comfort of our trains.

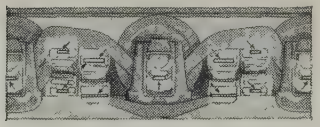
You know the shock-absorbing qualities of rubber heels. Well, this simple idea is being applied to Baltimore & Ohio cars. Each truck has fifty-one rubber pads placed at points where the frame rests and at spring ends—wherever metal touches metal. You really ride on rubber over polished steel rails.

It sounds smooth, and it is . . . wonderfully so.

We have a firm conviction that if travelers are given a smooth joltless ride, if they can relax and read without strain, the chances are they will remember the trip as a restful experience and want to ride on our road again.

To increase the number of such friends is one reason we have spent over 400 millions to improve the service of our road. And by the thoughtful attention of our employees we try to make every journey a pleasure.

We hope this latest effort—to give you a comfortable ride by putting *rubber heels* on our cars—will appeal to you. Won't you ride with us soon and see how thoroughly restful it is?



THE RUBBER HEEL *is symbolic of the riding comfort made possible by placing rubber pads in the trucks.*

The B&O

Standard Pullman six-wheel trucks used on Baltimore & Ohio cars. And to make riding even smoother we are putting rubber pads at the spring ends and wherever metal touches metal on all B & O passenger cars. This tends to eliminate vibration and make riding more restful.

BALTIMORE & OHIO

The B. & O. informs its prospects of its efforts to make our civilization freer from nerve-racking jars and noises, and subtly meets the encroaching competition of automobiles and bus lines.

(e) Checking up sources of information and advice, to insure that they are not misleading
(f) Experimenting with new ideas, methods, and plans to make sure that all profitable ones are adopted
(g) Developing the strongest points, and studying the proper time and methods, for offensive and defensive campaigning
(h) Employing the best minds upon the difficult problems of the business, so that the benefits of their solution will be secured before others secure them
(i) Recognizing that the human factor is one of the greatest assets in any business today, and that, therefore, the endeavor should be to get the ablest men in that line of business to work for the company
(j) Frequent strategical trials of strength of both the firm and employees along extra difficult lines, in order to demonstrate capacity, fitness, and initiative
(k) Constant pre-emption of ideas, methods, patents, etc., which might be of any service to competitors
(l) Keeping an open mind

5. *Comparisons of policies.*—The fact that one competitor's volume of sales to the *retail* trade exceeds another's in a given period of time does not necessarily prove that *consumer* demand for one product is greater than for another. A competitor may be making the grave error of overstocking his retailers. Nothing else will so quickly prejudice a dealer against a product as being oversold and overstocked. The dealer's ideal, to quote an old-time merchant, is to have goods "come in the back door

and go quickly out the front door." The dealer's shelves are, for him, an expensive boarding place for stock. He is interested in turnover, first and last. A far more cordial feeling toward a product exists in a dealer's mind if he orders fifty dozen and disposes of them in five weeks than if he should order 100 dozen and they move slowly from his shelves.

The psychological effect on the consumer of having the dealer assure him that "they're fresh goods—just in today," is a definite sales asset that is reflected in purchases and eventually reacts to the manufacturer's benefit. Dealers naturally lose enthusiasm for any product that lingers so long in their stock as to necessitate price cutting and consequent sacrifice of profits to move it.

A few years ago, a new cleaning fluid was put on the market and developed an excellent distribution. The dealer was not permitted to purchase more than one dozen bottles of the product on his first order. The smaller the order was, the better the company liked it. This was on the theory that, if the dealer ordered and disposed of ten bottles in a week, he would get a more favorable impression as to the rapidity of turnover than would be the case if he had purchased eighty bottles and sold them in two months. By deliberately underselling, rather than overselling, the manufacturer made the dealer decidedly conscious of the demand for the product and of the rate at which it turned over.

6. *Comparisons of advertising.*—While it is im-

portant to make a study of a competitor's advertising program, it is not profitable to imitate it. For example, a manufacturer of sporting goods noticed his competitor's advertising appearing regularly in a woman's publication. He naturally assumed that the repetition of this advertising, month after month, was an indication that the publication was a profitable one for his competitor to use, and that it would pay him to use it. He instructed his advertising agency to make a contract for his advertising to appear regularly in the magazine. The agency advised against the use of the publication, asserting that it would be unproductive. Said the advertiser, "If it pays Jones to use it, why will it not pay me? I make a better product than Jones and can undersell him."

The agency had been doing a little investigating into the merits of this particular magazine. It called the advertiser's attention to a page on which was printed a list of premiums given by the publishers of the magazine for new subscriptions. Six of the ten premiums offered were products of the Jones factory, though they were not so stated. The publication was placing such substantial orders with Jones that, as a reciprocal measure, he bought, part cash and part trade, space in the publication. The advertising was what is known as "complimentary," and even Jones did not look for results other than the goodwill and continued patronage of his customer—the publishers.

It is advisable to keep a file of competitive advertising, if only to know what not to do. Such a file, of course, has many other uses.

7. *Comparisons of follow-up.*—The alert advertiser will make it a point to secure as much as possible of his competitor's follow-up material. It is a simple matter to have an employee fill in a coupon clipped from the competitor's advertising, or write a letter giving his or her home address. This will give a line on how competitors take care of inquiries; how promptly they are answered; how many pieces of mail there are in the follow-up; whether personal, multigraphed, or printed letters are used; the approximate sum spent on follow-up, and what selling points are advertised.

As each piece of literature comes in, it is dated and compared for appearance, quality, and the impression it creates with other like material received from other competitors. A complete set of each competitor's literature is collected and the sales arguments of each listed. Then a record is made of the proportion of space used for each argument, and the order in which the arguments are presented. Such tests often reveal valuable working data.

8. *Comparisons of methods.*—By studying all competitors, many errors may be discovered in your own methods. A certain manufacturer, a national advertiser, discovered a weak point in his own follow-up system through comparing his competitor's methods with his own. The competitor, in his na-

tional advertising, invited readers to send for a copy of an illustrated booklet. As soon as a request for the booklet was received, the competitor immediately forwarded the inquirer's name and address to the retail outlet in the town from which the inquiry was received. The retailer was provided by this competitor with a form letter on his own letterhead; this was filled in and forwarded to the inquirer, with the booklet, and so the sales machinery was set in motion. Our manufacturer, however, had neglected to tie up carefully all the factors in the sale, and had not realized his deficiency until he checked up on his competitor's methods.

A manufacturer of radiators, wishing to dominate his field, decided some time ago to extend his advertising campaign. He requested his agency to obtain the schedules of all competitors' advertising that had appeared during the preceding five years. Since this schedule showed that all his competitors began to advertise during the first week in August, he ordered his advertising to begin in the middle of July, and made his advertisements a little larger than theirs. Thus, by careful analysis and strategy, he was able to get the jump on his competitors.

9. *Comparisons of selling arguments.*—When an advertiser employs the printed word as a direct sales appeal, he naturally embodies every sales argument he can muster in the limited space of his advertisements. But if the article has a wide variety of features, he usually enumerates them one at a time. By

making a careful analysis of competitors' talking points, a manufacturer obtains a valuable guide in presenting his own. Extravagant claims by one competitor have frequently and advantageously been capitalized by another. A recent instance may be found in the advertising of two rival manufacturers of dentifrices. One advertised the merits of his product by asserting that a dentifice that merely "washed" the teeth was not sufficient to remove an accumulation that was deleterious to the health of the teeth and gums. The competitor was quick to grasp the opportunity with copy that admonished, "Wash—don't scour the teeth," and he backed up his arguments with a number of professional opinions on the subject.

Some advertisers are fortunate in being able to present features that are patented and therefore immune from attack by competitors. Others possess exclusive features which, while not patented, are pre-empted and cannot profitably be imitated. While there is no patent on the process of setting the bristles of brushes in rubber, the name "Rubberset" is a registered trade-mark. Advertising the "Rubberset" brush, the pioneer in this process of brush making has established for it a foothold that seemingly no amount of competition or imitation can dislodge.

Do not overlook a competitor's talking points. Through analysis and study of them, you may discover one or more points about your own product

"Want to see a bill I got from Macy's this morning?"

"Yes. That must have been a unique experience."

*"April Fool. It's a D. A. *statement."—*

No One is in Debt to

MACY'S

34th STREET AND BROADWAY

*A D. A. means a Depositor's Account. There are 61,000 people who have money on deposit with R. H. Macy and Company, Private Bankers, New York City. Their purchases are charged against the deposits; minimum monthly balances of $10. to $5,000. draw interest at 4% per annum.

Entire contents copyrighted, 1910, R. H. Macy & Co., Inc

Macy's has set out to meet the competition of other stores by featuring, "No one is in debt to Macy's," and holds out an inducement directly opposite to that of other stores.

that you should emphasize more forcibly than you have.

10. *Avoiding pitched battles.*—Competitive advertising should not be met by points that might lead to advertising battles. The example of the two dentifrice manufacturers quoted is not an illustration. Both manufacturers made positive statements. It was for the consumer to decide whether he wanted to "wash" or "scour" his teeth. The point we wish to make is that an advertiser should not use his advertising space as a vehicle for attacking his competitor's product. Aside from the violation of business ethics, such a procedure is not only undignified, but is a waste of advertising effort, and it will invariably fail to produce the desired reaction in the reader of the advertising. In the old days of advertising, every advertiser claimed "best" for his product. Superlatives, such as this, fail to convince and are inadvisable.

The line to follow is to discover all the advantages that a product has over competing products and to play up these advantages in advertising. If a certain product will serve the consumer better, serve him longer, and at less cost than will others, the manufacturer should tell the consumer *why,* without making any comparisons. The reader should be given credit for having some imagination, and he will do the rest. Everyone is trying to get the utmost for his money. If one company's advertising can tell the consumer something that its competitors'

advertising cannot, the reaction will be far more satisfactory than any amount of comparison or "knocking."

11. *Determining a fair share.*—After making a careful analysis of the market and product consumption, an advertiser is able to judge, to a reasonable degree, at least, how much of the total business he may rightly expect to secure, and can lay his plans accordingly. He may decide to dominate the field in an advertising way or, on the other hand, he may decide that it would be more desirable for him to use small space.

The advertising manager of a concern manufacturing industrial conveyors found that 80 per cent of the business in his line was controlled by a single competitor, the balance being divided among twenty other companies, of which his was one. A study of the large competitor's advertising showed that it used large space and educational copy. Since his own company lacked the finances to compete on any such basis, he decided to take space regularly in the technical publications in which the large competitor's advertising appeared.

His copy, however, was constructed on a different basis. It was designed to bring inquiries at a low cost, leaving it for the sales department to turn the inquiries into sales. He reasoned, rightly, that the prospect in such a line would investigate the products of several concerns before buying, and that, therefore, his sales force could overcome his com-

petitor's advantage gained from the use of large advertising space.

A manufacturer of men's furnishings followed a somewhat different plan. An analysis of his trade showed that he controlled 15 per cent of the business done in his field, and that he had two principal competitors, one controlling 30 per cent and the other 10 per cent. The balance of the market was divided among a number of small concerns.

The manufacturer now framed his attack. Studying the methods of his chief competitor, he planned his own advertising so as to give the effect of leadership. The illustrations in the advertisements were better than his competitor's, and the space he used was larger and more commanding. Furthermore, he advertised continuously while his competitor advertised only spasmodically. This plan was so effective that today he controls over 75 per cent of the total business in his line.

The most effective procedure is to determine, by a careful analysis of the market and product consumption, how much of the total business should come to any particular company, and then to lay plans for securing that portion of the sales believed to be its share.

12. *The saturation point of distribution.*—The economic law of diminishing returns applies to advertising, as well as to agriculture or any other industry. In agriculture, after a certain point, the quantity of product diminishes per additional unit of

capital and labor; in advertising, the diminution is in the value of the results when a certain point is reached. Every advertiser's personal experience has shown him that returns from any given advertisement are subject to this law, and all campaign expenditures are governed by it. For example, an advertiser may spend $100,000 in advertising and obtain a million dollars of business; with an expenditure of $200,000, he may be able to do a two-million dollar business. If there were no law of diminishing returns, the advertiser could proceed with all confidence to increase his expenditure, and could expect returns in direct ratio. All he would have to do would be to decide how large a volume of business he wanted, and spend an advertising appropriation calculated to produce such a volume, based upon the simple formula, "If one secures twenty, ten secures two hundred," and so on, *ad infinitum*. However, he will probably find that if he raises his advertising appropriation to $500,000, he will be able to do, say, only four million dollars of business, and that it does not hold true that if he spends $2,000,000 in advertising, he will get $20,000,000 worth of business.

The law of diminishing returns manifests itself in the size of an advertisement as well as in the amount of money expended for advertising. A half-page space in black and white in the *Saturday Evening Post* costs $4,000. It may bring 4,000 inquiries at a dollar apiece. A black and white page in the same publication costs $8,000, but it may not necessarily

bring 8,000 inquiries. It may bring more, or it may bring less. Suppose, for example, that it brings 9,000 inquiries. To conclude that a double-page advertisement at $16,000 will bring 18,000 inquiries is wrong. Experience has shown that a double-page spread, although it may bring inquiries or orders at a very profitable rate, seldom doubles the production of a single-page advertisement.

When an article is sold for rapid consumption, such as bread, sugar, matches, etc., in which there is a strong repeat element, the point of diminishing returns is farther away than on an article that is sold only once or twice.

Every additional retail outlet added to convey goods to the consumer is an additional drain in salesmen's traveling expense, an additional expense in dealer helps, and an additional source of supervisory and clerical cost. As the business grows, there comes a time when there is no possibility of increased sales in the immediate neighborhood. In order to develop, the business must branch out into new fields. This calls for more traveling expense for salesmen. Perhaps it doubles the former sales expense, without bringing anything like commensurate returns.

13. *The saturation point of consumption.*—There is, likewise, a limit to the amount that can be consumed. Sales cannot be maintained for long, by advertising or by any other means, beyond the normal rate of consumption. Statistics may show, for example, the per capita consumption of coffee in a given

territory. Even the best grade of coffee, offered at an especially appealing price, would increase total consumption only so far, although it would divert demand to the good and low-priced coffee. It is not advisable, therefore, to concentrate on one territory beyond the point of trying for a reasonable volume of sales.

14. *The chance for growth.*—In discovering total volume, determining a fair share and his competitors' strength, the advertiser should calculate his chances for expansion, and how he can develop sales through advertising. The development of new users for a product and new uses for it, and keeping the users sold on the product by constant reminders in advertising, are the requisites for growth.

If a product has only one use, the problem is to secure more users by advertising. If new uses are being developed for a product, advertising's job is to inform and sell the consumers on the new uses. The manufacturers of sugar, for instance, increased their sales by putting out educational campaigns, to the housewife, on canning and preserving and the part sugar plays in this branch of cooking.

Manufacturers of a certain line of men's underwear modified the lines of their garments, and sought new consumers, by advertising in the women's market.

There are certain definite elements to be dealt with in the contemplation of growth for any product: (a) the natural gain in the number of possible users

hrough increase in population; (b) increase of uses; (c) increase of popularity. If the product is right, nd the sales policies and distribution methods are ound, advertising can promote growth by giving at- ention to each element, although accomplishing its vork in different ways.

REVIEW

Explain why it is important to study competition.

Show why imitation is unsuccessful.

Outline the elements needed in an advertiser's reserve trength.

Discuss the policy of underselling versus overselling the dealer.

Explain how the law of diminishing returns applies in adver- ising.

CHAPTER IV

THE ADVERTISING AGENCY

1. *Necessity of an advertising agency.*—The highly specialized services of an advertising agency are as necessary for a successful advertiser as are the services of a surgeon to one who has a troublesome appendix. The analogy goes farther than this. While we are not yet as enlightened as the Chinese, who pay a doctor regularly when they are well but stop his pay when they become ill, we appreciate, more than formerly, preventive measures. An advertising agency often renders a valuable service to its client by advising him not to advertise, if the agency considers that to be good business policy at the time.

The general impression of an advertising agent is either that he is a gifted and persuasive being, who can write anything from a help-wanted advertisement to a circular letter, or that he is merely a broker in magazine and newspaper space. When advertising was in its infancy, these conceptions might have been justified, but a well-organized agency today consists of an aggregation of specialists, each an expert in some particular branch of advertising. The agency has become a business counsellor.

The American Association of Advertising Agencies defines agency service in these terms:

Agency service consists of interpreting to the public, or to that part of it which it is desired to reach, the advantages of a product or service.

Interpreting to the public the advantages of a product or service is based upon:

(a) A study of the product or service in order to determine the advantages and disadvantages inherent in the product itself, and in its relation to competition

(b) An analysis of the present and potential market for which the product or service is adapted—as to (1) location, (2) the extent of possible sale, (3) season, (4) trade and economic conditions, and (5) nature and amount of competition

(c) A knowledge of the factors of distribution and sales and their methods of operation

(d) A knowledge of all the available media and means which can profitably be used to carry the interpretation of the product or service to consumer, wholesaler, dealer, contractor, or other factor

This knowledge covers (1) character, (2) influence, (3) circulation (quantity, quality, location), (4) physical requirements, and (5) costs.

Acting on the study, analysis, and knowledge as explained in the preceding paragraphs, recommendations are made and the following procedure ensues:

(e) Formulation of a definite plan

(f) Execution of this plan:

(1) Writing, designing, illustrating of advertisements or other appropriate forms of the message

(2) Contracting for the space or other means of advertising
(3) The proper incorporation of the message in mechanical form and forwarding it with proper instructions for the fulfillment of the contract
(4) Checking and verifying of insertions, display, or other means used
(5) The auditing, billing, and paying for the service, space, and preparation
(g) Coöperation with the sales work, to insure the greatest effect from advertising

This is a summary of advertising agency practice, but it does not convey anything like an adequate picture of all that an advertising agency can do for its clients or of the work it may be called upon to perform. The agency frees the advertiser from burdensome detail, and enables him to devote more time and attention to his manufacturing problems. The expert services that the agency can muster to the manufacturer's aid are numerous. Is he faced with a merchandising problem? There is someone in the agency who can help him solve it. Is there a question of trade-mark or package? Other men are qualified by experience to advise him. Should changing conditions witness the decline of uses for his product, the agency will study and may develop new uses for it.

Back in the early nineties, a prominent agent discovered Gerhard Mennen handing out samples of his talcum from the tail-end of a platform wagon to a crowd which had gathered to watch his dancing

All right, Mister!—*now that the headache's over*

LET'S GO TO WORK!

FOR the last few weeks a good part of business America has drifted away from the work-bench to cock an excited eye at the biggest crap game the world has ever seen.

In fact, all too many of our amateur economists have taken literally the engaging admonition: "Reach for a Lucky instead of a Sweet"!

The time comes when the best handler of the Rolling Dominoes cannot make another pass, and the arrival at that time is signaled by the crash through their margins of the finest bunch of industrial securities that ever declared an extra.

Well, that's that—and it's pretty well all over, except for an occasional bird who has lost everything but his ego, and who hurls himself from a high window with complete disregard for the busy people who are really going somewhere on the sidewalks below.

BUT—while they're clearing up the empties—let's not forget that Jim Rural, out on his place in Indiana, is figuring on a new carnerib and an inning that cost forty of good bottom land.

Let's not forget that, same as ever, Joe Normal of Pretty Prairie is putting in a new lighting plant, which means the Missus soon will be wanting a Kohler bathtub, and all the fixings.

Let's not overlook the fact that all the young Jims and Joes and Susans and Marys are getting married as usual, and need household furnishings and installment accommodations to the afterglow.

Let's not forget that millions upon millions of regular folks throughout this *grand, greatly-desiring, gas-greasily-spending America,* need power, heat, light, food, transportation, recreation and adornment, same as always.

THEY'LL go on wearing out Goodyear Tires, eating Post Toasties and drinking Maxwell House Coffee, buying new Buicks and Fords, just as before.

They'll go on walking a mile for a Camel, stepping out of the short skirts for the new long ones, moving into the suburbs for more air for the baby, taking an evening off for the talkies, oh the future as in the past.

They'll go on dreaming, and earning, and *buying*—in that lavish fashion that has always characterized the shortest-memoried and longest-confidenced people that ever lived.

They'll continue to constitute, for the man or manufacturer who deserves it, the BIGGEST, RICHEST MOST RESPONSIVE MARKET IN THE WORLD!

THERE'S the picture, Mister, unreveiled from the ticker tape—what do you say? *Let's go to work!*

If you make a product that people need or can be made to desire, dig in your Wingfoot Heels and let's go.

If you've got an advertising story in that product, *tell it!*—as often and as forcefully as the traffic will bear. Tell it straight and to the point—don't mumble about your earnestness or commercial probity; shout those things buyers really don't care a damn!

If you haven't got a story in your product—if you cannot offer an advantage in price, purity, utility, quality, style or value—better get busy and get one, or make room for the fellow who has.

The big business next year is going to the outfit that deserves it, and that keeps pounding on the reasons for deserving it with all the steam it can boil.

REGARDING the securities market—let the other fellow worry about that.

If you're holding some good stocks at a loss, put 'em away and let 'em age in the wood—they'll be mellow and sweet and worth a bond on, a year or so from now.

If you've got some cash you don't know what to do with, buy good stocks—that's what John D. Rockefeller Sr. is doing, and you're probably no smarter than he is.

The main thing is, now that the parade is over, let's get back to the store!

THAT'S our program, bull market or bear, and we're still making sales gains for our customers.

Our own business is going ahead at a rate millions-of-dollars in advance of anything we have experienced before.

We think the reason is, that we're doing our daily dozen over the sales sheets and the typewriter and the drawing board, instead of on the fairway or across the *migawa ana fanx barbas.*

We're continuing to place generous schedules for next year with the quaint point of view not of putting so-much-money out, but of getting so-much-more back in sales for the advertisers we serve.

We're grateful for a lot of recent new business, too, but we still have room for a few choice ones with the quota-busting spirit.

If you feel that way for 1930, and are ready to *do something* about it, we'll be glad to have you give us a call!

ERWIN, WASEY & COMPANY
Advertising
844 RUSH STREET, CHICAGO

NEW YORK . SAN FRANCISCO . LOS ANGELES . SEATTLE . LONDON . PARIS . BERLIN . COPENHAGEN . MILAN
STOCKHOLM . HELSINGFORS . ROTTERDAM . BRUSSELS . BARCELONA . ZURICH

This is one of the most talked-of advertisements of 1929. It appeared shortly after the stock market crash and shows the active part that advertising agencies are taking in business affairs today. (Harvard Advertising Award.)

troupe. The advertising agent suggested a method of advertising which would introduce the talcum to the nation more quickly. Today Mennen's is stocked in every drug store.

It was an advertising agent who suggested to a manufacturer of communion wine the idea of selling grape juice to the public as a beverage. This idea not only built up that particular business, but brought about the present big trade in bottled grape juice.

For twenty years, advertising men have been responsible for changing bulk goods to package goods, and the process is going on all the time. The housewife no longer buys crackers picked out of an open barrel, or sugar scooped from a receptacle in which the cat may have slumbered during the night. She owes a debt of gratitude to the advertising agent. And not only has he worked improvement in the sanitary handling of goods, but he has contributed to convenience by the improvements he has brought about in packaging.

The advertiser who derives the greatest benefit from the services of his agency does not consider it as an agency at all. Rather, he looks upon the agency as a partner, as part and parcel of his selling force. And the agent, by studying his client's business, from raw material to the time the product is in the hands of the user, is constantly acquiring a priceless fund of knowledge.

One of the fundamental advantages of agency service to an advertiser is that it helps him to obtain

the outsider's viewpoint. He must keep abreast of all that has anything to do with making and selling his product. On the other hand, the agency is constantly adding to its knowledge of the use and technique of advertising. Both advertiser and agent must remember the adage, "Shoemaker, stick to your last," or they drop out of the procession. From too close application to his own problems, the manufacturer's perspective sometimes becomes distorted. He cannot see the forest for the trees. It is then that the fresh viewpoint of the agency can often give him ideas that may profitably alter his whole scheme of affairs, that may even save him from rapidly declining profits.

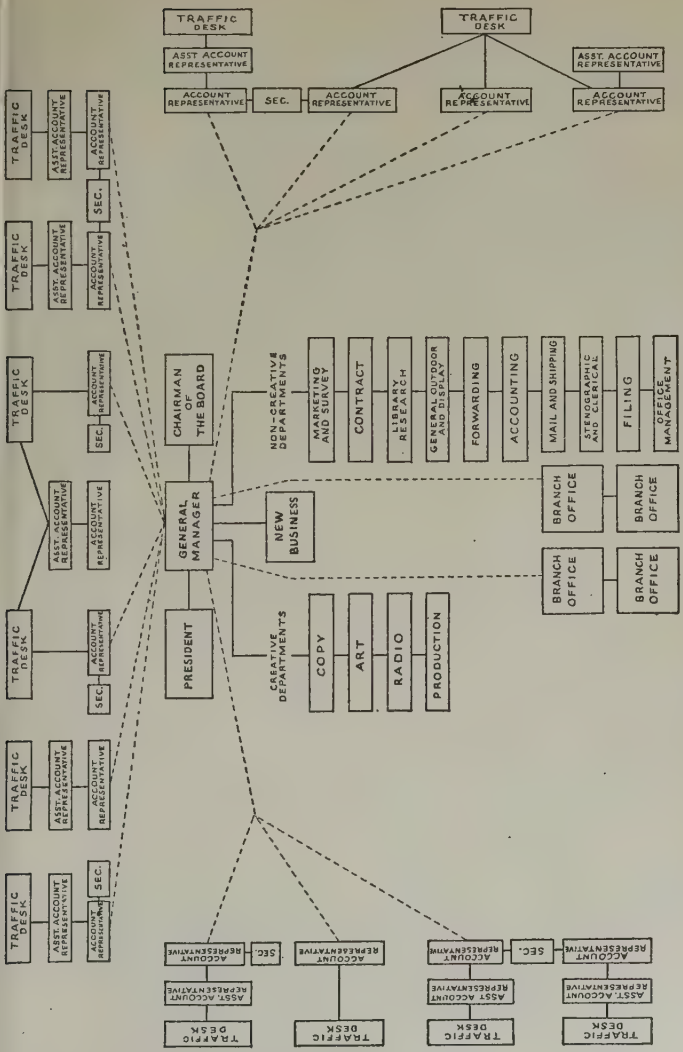
The percentage of advertising in newspapers and magazines that is placed "direct" by advertisers is so small as to be almost negligible. The advertiser who deals direct with publications is at a disadvantage. It is not that magazines and newspapers do not welcome his patronage and give him value received for his orders. But the agency, handling many accounts, can obtain assistance from publications that the latter could hardly afford to render an advertiser placing his business direct. While many newspapers and magazines conduct a service department for the benefit of advertisers in their columns, the service is too restricted to be comparable with organized agency service.

2. *Types of agencies.*—While a similarity is found in the functions of all agencies, many specialize on specific forms of advertising. Some are known as

"farm-paper agencies," specializing in the farm-paper field. Some are "mail-order agencies." There are agencies that specialize in the medical, motor, financial, or real estate fields. The reputation of others rests upon their advertising of products for women. There are agencies, known as "service" agencies, which place little advertising, but whose province is the planning of campaigns and the preparation of the material therefor.

The majority of the larger and better organized agencies have centralized copy departments. Here are found men and women whose time is devoted entirely to writing the text for advertising messages. In some of these larger agencies, one writer will confine his efforts to the copy for but one account, preparing all the text for consumer and dealer messages. In other agencies, depending upon the number of accounts, a copy writer may have to prepare the copy for a dozen or more advertisers in diversified lines. Still other agencies do not maintain a copy department. They have the copy prepared by free lance copy writers, or each account executive writes the copy for the accounts in his charge.

Some of the large agencies retain highly paid men who write nothing but technical copy for accounts that require it. For instance, if a product is to be sold to architects and engineers, the agency may enlist the services of a trained architect or engineer qualified to write the copy in terms that will best be understood by the class to whom the appeal is directed.



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Organization chart of an advertising agency

Then there is the small agency, where one man may assume the manifold duties of selling, planning, writing the copy, and acting as account executive. It is very readily seen that a man so burdened with detail can supervise only a few accounts.

In general, there are two types of agencies. In one, the account executive writes the copy and attends to the other details incidental to the preparation of advertisements for clients in his charge. The other type of agency maintains centralized departments to perform the necessary work.

3. *Importance of recognition.*—There are four fields in which recognition is granted to advertising agencies:

(a) Newspapers: American Newspaper Publishers Association, New York; Southern Newspaper Publishers Association, Chattanooga, Tenn. (In many cities there are local associations of newspapers that grant local recognition)
(b) Magazines: Periodical Publishers Association, New York
(c) Agricultural Publications: Agricultural Publishers Association, Chicago
(d) Outdoor Advertising: National Outdoor Advertising Bureau, New York

The details concerning the qualifications of an agency for recognition differ with these different associations. The guiding principles in all cases, however, can be summed up in four questions:

(a) Does the applicant know advertising?
(b) Is his credit good?

(c) How many accounts does he handle?
(d) Are there any moral hindrances?

Recognition by one association does not mean recognition by all, or any, of the other associations. To be entitled to recognition by the associations listed, an agency must have advertising accounts active in the field in which application is made. In order to avoid the possibility of an advertiser's establishing his own agency for the placing of his own advertising, thereby securing for himself the agents' commissions, the various publishers' associations require that a new agent have a minimum of three accounts to place before granting recognition to him. The names of the accounts must accompany the application, together with a financial statement, and other data sufficient to establish the agency's responsibility. Individual papers sometimes grant the agency commission to small agencies who do not have general recognition. It is usually the weaker publications that do this as an incentive to place the business with them.

Recognition is of paramount importance to an agency. The commissions paid by newspapers and magazines on business placed are usually paid only to recognized agencies. An agency without recognition means an agency without a credit rating, so that it must pay cash with order when placing business. There have been, and probably are today, agencies which have not yet secured recognition and which "clear" their business through another agency that is recognized. The practice of splitting commissions

with an advertiser, or with another agency, has been banned by the several associations, and an agency detected violating this rule is liable to loss of recognition.

An agency's recognition is almost as important to the advertiser as to his agency. It assures him that there will be no interruption in the placing of his advertising and that his agency will have the cooperation of the magazines and newspapers. If the advertiser happens to be a new one, the fact that his advertising is being looked after by a recognized agency gives him standing and prestige with the media.

4. *The agent's compensation.*—The usual commission paid to recognized agencies is 15 per cent on the gross, with a 2 per cent cash discount on the net. There are few exceptions. Some publications pay 15 per cent and 5 per cent. On classified advertising in newspapers, commissions vary. Some classifications, such as "Legal" and "Amusements," pay only 5 per cent commissions. Some of the trade papers do not pay commissions to agents. Many agencies conduct their operations for clients on a fee basis, drawing a regular retaining fee by the month or year, regardless of the amount of advertising placed. This is usually a guaranty of a minimum income. This method of compensation is considered by many to be the most equitable basis, as it tends to insure against the recommendation of unwarranted expenditures by the agency. Needless to say, unwarranted

spending happens only in the case of inexperienced or unethical agencies.

Some agencies deduct all commissions and discounts earned and charge the advertiser a service fee of 15 per cent on the net amount. The usual practice, however, is for the agent to retain the full commission allowed by the publication. Many agencies also apply a 15 per cent service fee to all mechanical charges—art, engraving, printing, etc.—to compensate them for the labor of handling these items.

5. *How agencies are organized.*—Advertising agencies, for the most part, are organized in such a way as to have three main divisions:

(a) Sales department
(b) Production department, which prepares the advertising material
(c) Clerical force for estimating, buying space, ordering, accounting, checking, and billing

However, one will not always find, in every agency, sharp lines of demarcation between the functions performed by different members of its personnel.

6. *Agency service.*—The advertising agent, through his contact with hundreds of cases and any number of precedents, has accumulated a valuable fund of experience. He has learned, to an important degree, at least, what advertising will do and what it will not do. Just as the physician must spend a good part of his time in study, learning about new forms of old ailments, keeping abreast of the times, making the acquaintance of, and experimenting with new

medications, so does the advertising agent study every branch of his profession, that he may be in a position to advise his client on what is best in any form of advertising practice.

Take, as an example, the important matter of media. Every worthwhile publisher is in constant touch with the agencies throughout the country, advising them of what he is doing or has done for some particular advertiser or group of advertisers. Thus, the agencies are furnished with facts that are of great value to the advertiser. True, while some advertisers also receive promotion material from media, it usually is not as extensive nor as carefully weighed and compared as it is by the experienced specialists in the advertising agency.

Agency executives, through their clubs, conventions, associations, and clients, are constantly kept advised of advertising conditions, markets, selling plans, and all manner of business relations, which they, in turn, can employ to the advantage of each individual client.

7. *Selecting an agency.*—The farsighted advertiser will give much thought to the question of which advertising agency to employ. If he is wise, he will look beyond mere personalities to the advertising equipment in the background. He will base his ultimate decision on the record of the agency in the field of performance. He will remember, likewise, that the service for which he is looking calls for many types of specialized knowledge.

One well-known national advertiser tells of the method he followed in selecting his advertising agency. He knew that there were many good agencies available, but he did not know how to go about selecting the one best agency for his needs. He had been solicited by a number of high-grade agencies, who had all presented impressive stories, and who seemed to be about equal as to ability, experience, and accomplishment. He had gotten the opinions of other manufacturers, and he had seriously studied the advertising of the agencies as it appeared in various advertising trade journals. After a great deal of "willy-nillying around," as he expressed it, he finally decided to hear the specific story of twelve agencies, which he had tentatively decided were, in general, what he was looking for. After preliminary conferences, he was as much at sea as ever. He hit upon the plan of submitting to these twelve agencies a list of fifty questions, requesting full and complete answers, which he proposed to use as a basis of decision. Because these questions are interesting in themselves, and because they indicate the importance attached by this successful advertiser to the selection of an agency connection, they are repeated here.

1. What is the age of your agency?
2. What has been the selling and advertising experience of the executive and important members of your organization?
3. How many people are employed?
4. How are their duties divided, viz., executive, productive, artistic, clerical, outside?

5. How many would be assigned to our account, and what are their special qualifications?

6. Would our contact be through one man, or through several, covering various phases?

7. Is the contact man on a salary basis or commission?

8. Is contact man a salesman or an active copy writer or merchandiser?

9. Would contact man be capable of assisting or advising in preparation of technical-information pamphlets?

10. Would contact man handle accounts other than ours? If so, how many and who are they?

11. Is contact man experienced in: (a) radio, technically; (b) radio, commercially; (c) manufacturer to jobber and dealer policy; (d) radio publication field?

12. How many accounts have you? List names and length of service.

13. How many are active and exclusive?

14. How many accounts added during past year?

15. How many accounts lost during past year? Give names.

16. Do you handle any account that would compete with ours? If so, give name.

17. Do you or would you handle competing accounts in any line?

18. Have you any objection to our getting in touch with present or past clients?

19. What is value of each account you handle? (This can be listed individually or in groups).

20. What is total business handled per year during past five years?

21. Has your agency shown a consistent yearly profit?

22. Why do you consider your agency qualified to help us?

23. Have you anyone in your organization who can qualify for the following, and if so, who? (a) radio fan; (b) engineer—radio or otherwise; (c) practical workman; (d) salesman; (e) merchandiser?

24. What experience has your agency had in the radio ield?

25. How do you propose to handle the technical features f our account?

26. Do you have your own artists, or is all art work obbed?

27. What does your service include, in addition to the reparation of copy for commissioned space?

28. On what basis of compensation is this service ren- ered?

29. What is your policy on the placing of printing and ther mechanical work for broadsides, pamphlets, etc.?

30. Do you prefer that we, or you, place the orders for uch printing?

31. Do you aim to be a factor in determining and con- ucting our merchandising policies?

32. What would be your plan for helping us with these olicies?

33. How far ahead do you normally plan advertising ampaigns?

34. Would this be any different for our business?

35. Are you familiar with the seasonal nature of the adio business and the shortness of the selling season?

36. What effect would this have on your advertising reparations?

37. Are you familiar with our form of distribution— anufacturer to jobber?

38. Do you favor any modification of this plan for our resent lines?

39. Would you favor a modification if we decided to add high-priced line of sets?

40. If so, what change would you recommend?

41. Do you make personal field investigations for antic- pated sales and advertising campaigns?

42. Do you consider them practical in the radio field?

43. Do you favor trial campaigns in certain localities r mediums?

44. Do you favor them for the radio business?

45. What do you consider as the important factor on which to base an advertising appropriation? (Check this against): (a) last year's business; (b) last year's net profit; (c) anticipated business; (d) intensity of campaign; (e) requirements to cover field; (f) general business conditions; (g) conditions in radio field; (h) our position in radio field; (i) production possibilities; (j) experience of others.

46. Do you favor a yearly gross appropriation to be spent at the discretion of the agency, or would you recommend a monthly control of such expenditures?

47. Based on anticipated yearly sales of $1,500,000, what would you recommend as an advertising appropriation, covering all expenses?

48. How would you allocate this appropriation for: (a) newspaper space; (b) trade magazine space; (c) general magazine space; (d) direct mail; (e) dealer helps; (f) salaries and miscellaneous?

49. In what relation to each other do you hold production, advertising, and distribution, and how do you regulate the tie-up?

50. Submit a complete file of one year's campaign matter for one of your accounts, preferably of a technical nature. This should include all forms of advertising and merchandising matter.

To the surprise and disappointment of the advertiser, each of the twelve agencies replied so fully and satisfactorily that he was at just as much of a loss as ever. After all his effort, time, and care, he finally selected an agency on the opinions of that agency's clients. This is an extreme case, and certainly it does not hold good as a general basis of agency selection.

8. *Essentials in selection.*—The task that an adver-

iiser faces in selecting an agency is a difficult as well
is a delicate one. Selection is rendered more diffi-
ult in view of the fact that modern agency practice
s largely standardized. In the final analysis, choice
enters upon these attributes:

(a) Reliability—financial soundness
(b) Experience—years in business
(c) Character of the personnel
(d) Stability of accounts and personnel
(e) Number, size, and diversity of accounts
(f) The character of the agency's work
(g) Experience in the advertiser's particular line

All these points must be applied by the advertiser
as a measure of the agency's qualifications to advise
vith him and to function in the execution of the ad-
vertising itself. The error of judging an agency's
ability to serve by one point alone has often brought
an advertiser to grief. The advertising graveyard
can muster many skeletons of unsuccessful cam-
paigns where the advertiser selected his agency from
a brave showing of art work and copy without sound
merchandising experience in his line to back it up.
Many advertisers have selected an agency on its
record of success with an entirely different product,
n an entirely different field, to discover, only too late,
ts inability to serve him in his field.

The majority of the larger agencies make it a rule
ot to accept the advertising of competing products
r services. Their ethics are highly commendable,
et this presents a barrier to the advertiser in making

his selection of an agency. For example, he may be a manufacturer of women's shoes. The XYZ Agency has made a brilliant record with the advertising of "XL" shoes for women. "The very agency I need," thinks the advertiser, but the agency will not accept his business because it is competitive with "XL" shoes. The result is that the advertiser must eliminate the agency that he feels is best qualified to serve him and cast about until he finds one without a woman's shoe account on its list.

9. *Preliminary research.*—Timing an advertising campaign is important. Many campaigns owe their success to being launched when conditions were propitious, but there are dozens of cases on record where an advertiser seriously considered spending a huge advertising appropriation, and was advised against it, by his agent, because the time was not advantageous.

A few years ago, a large manufacturer put on the market a cheap phonograph. At the price, the article looked to be a sure winner. Pages were used in the *Saturday Evening Post*. The campaign was a flat failure. When people who had read the advertising made inquiry, they found few dealers who were stocked with the phonographs. The advertiser had fallen down on deliveries and his premature advertising campaign was dead waste. By the time the manufacturer's production was sufficient to stock the dealers, the dealers refused to buy. Had this advertiser, or his agent, timed the campaign better, made

the necessary preliminary research, opened retail outlets, and sold the dealers on the advertising before it started, there might have been a different and more cheerful story to relate. Advertising campaigns, to be successful, require much preliminary work.

A manufacturer is so close to his product that he will often fail to recognize good selling points that an agent, coming to him with the outsider's viewpoint, may be able to point out and capitalize. A story is told of a western canning concern that was marketing canned pineapple. The product was as close to perfection as they could make it, but sales were slow. An advertising agent called on the canning company. In conference, with an opened can of pineapple before him, the agent asked, "What is this liquid in the can? Is it syrup?" "No," replied the president of the canning company, "we put up the pineapples in their own juice." The advertising man was fairly aghast. "Good heavens, man. Why haven't you told the people that?" The big talking point was discovered. New copy was arranged and published. The turning point came when the canning company began to tell the public what kept their pineapples so fresh and delicious.

Sometimes a product is right, but the package is wrong. The agency is qualified to show the advertiser why. One of the large agencies in New York maintains a miniature store, with show windows, shelves, and show cases, in which they conduct experiments with packages under various lighting condi-

tions until the highest development of visibility is reached. The dominant note in an advertising campaign often will be the package.

10. *Planning campaigns.*—The agency's expert and technical advertising advice is most valuable at the crucial time when the plan of a campaign is being formulated. Even after it is under way, it is well to show the agency all material at hand, for they are often able to make helpful suggestions. In addition to the agency's regular work, problems of sales resistance are carefully studied, even to the extent of sending members of the agency out into the territory with salesmen, meeting jobbers and retailers, studying the buying habits of the people, and learning what selling obstacles must be overcome. The agency representative often obtains valuable information from the publishers of local newspapers in the territory to be covered—information to which the advertiser would probably never have access.

A story is told of an agency representative who went south with a salesman for a nationally advertised food product that was moving slowly in the South, but selling well in the North and West. A number of visits to retail grocery stores disclosed that a competitor's product was called for by customers four times as often, yet the price was the same. The agency man discovered that the competitor's article was advertised in large space in the local newspapers. When he reached his office, a conference was called with his associates and the advertiser. Part of the

national campaign was cancelled, and the money thus saved was put into local newspaper advertising in the "weak" territory. The response justified the change in campaign plans.

11. *Producing advertisements.*—The actual process of preparing advertising material for publication requires considerable time. When the idea for the advertisement, and the method of presenting it, have been agreed upon, the task of writing is assigned to a copy writer. If he is a competent writer, he does not depend upon inspiration, but draws upon experience and knowledge. His work may need many revisions before it is final. The idea for the illustration is given to an artist who presents a rough sketch for approval, before he makes the finished working drawing. Another man makes a layout, which shows how the advertisement will look when completed. A type expert designates the sizes and styles of type to be used. When all this has been done, the work is assembled, and a proof is presented to the advertiser. Sometimes four, five, or more proofs are necessary, before final approval is given, and both major and minor operations may have to be performed.

12. *Placing advertising.*—After the copy has been prepared, the agency submits to the client a schedule of the publications that are to be used to carry his message. If the media selected by the agency meet with the approval of the advertiser, he OK's the schedule and returns it to the agency.

A contract form, similar to the one reproduced on

page 90, is forwarded to the selected publication, reserving a definite amount of space for specific issues, generally within the period of one year. If the publisher accepts the stipulations of the contract as made by the agency, he acknowledges it by means of the tear-off acknowledgment slip that is attached to the contract. Occasionally, a publisher will run an advertisement before his acknowledgment is returned to the agency. In that case, the contract is automatically made effective by that act, which is termed "accepted by running."

Advertising agencies specializing in financial advertising have achieved some remarkable results through placing advertisements simultaneously in widely separated sections of the country. By means of a carefully worked out formula, they are able to handle as regular routine the announcements of new bond or security issues, information of which it is not deemed advisable to have spread in any one place before another. An advertisement is prepared by the agency, and then telegraphed to possibly twenty-five cities. The advertisement appears the next day, in twenty-five different newspapers, all exactly alike in text, set up uniformly as to the kind of type, and the display of the message. This is highly specialized service, and is confined to a few advertising agencies who have devoted years to perfecting the system that makes it possible.

13. *The account executive.*—The account executive is the agency's point of contact with the

client. Sometimes he is the salesman who has brought the business to the agency. He is a man experienced in planning campaigns and in merchandising problems. He is often a man with copy ideas, and writes the copy for accounts in his charge when there is no centralized copy staff. The account executive usually manages accounts which, while in no way competing, are similar in merchandising problems. For instance, an agency will have account executives, each specializing on food, agricultural, mail-order, clothing, building materials, office appliance, and technical machinery advertising. Each one of these men, through contact with his particular industry, becomes a specialist in that particular division of business and furnishes the production or creative departments with the merchandising information on which to build the campaign. The account executive passes on to the agency's production department the dominant copy note in the campaign, the main selling points, and assists them by his suggestions and criticisms to produce the type of copy appeal best suited to the client's needs.

REVIEW

Summarize agency service as defined by the American Association of Advertising Agencies.

Outline the organization plan of an agency.

Explain the importance of "recognition" to an agency; to the agency's client.

Show how the agency is compensated for its work.

Discuss agency service in preliminary research; in planning a campaign.

CHAPTER V

THE ADVERTISING DEPARTMENT

1. *The need of an advertising manager.*—Business men often ask the question, "If I can get an advertising agency to prepare and place my advertising, why do I need an advertising manager or an advertising department?" The answer is that an advertising agency, whether specially remunerated or not, can seldom attend to the mass of executive details as efficiently and economically as can an employed advertising manager. Normally, it will plan, prepare, and place advertising, consult and advise with the client, and perhaps conduct advertising research. Whether its services are free or not, they are to be sought for as a contribution of "consumer viewpoint." But the duties of general supervision, of correlating advertising activities, of "merchandising" the advertising to dealers and sales representatives, checking results, etc., are the natural functions of advertising management.

Back of every advertising campaign there should be one man who is responsible for its success. His duty is to devise and execute ways and means to promote the business through publicity. This man is usually given the title of "Advertising Manager."

The advertising manager must have the power of analysis. He must understand how to keep the main idea constantly in mind, and yet he must be a man who will not let the detail of a misspelled word escape his notice. He is primarily an executive. He must understand organization, for it is in his province to deal with many individuals, both in his organization and outside of it.

Many of the most successful advertising managers have never written a line of copy. They edit much of it and know how to weigh values; but often they do not concern themselves with the details of copy writing. The advertising manager must know good copy and art, and his equipment must include a working knowledge of the mechanical side of advertising and printing, for while these details are usually delegated to a subordinate, the advertising manager is the executive in charge and the responsibility is his.

The advertising manager is frequently the sales manager. When another is sales manager, the advertising manager must work with him. He must keep in touch with production costs, in touch with the sales force in the field, with the jobbers and retailers of the product. He must recognize and help correct the weak spots in the sales organization. He must assist the sales manager in keeping up the morale of the sales organization.

2. *Functions of an advertising department.*—An advertising department may resemble the general staff of an army or it may be like a regimental staff.

STANDARD ORDER BLANK, FORM "A"
(STANDARD CONDITIONS 1920) (*See Over*)

(*Member of A. A. of A. A.*)

Batten, Barton, Durstine & Osborn

INCORPORATED
383 Madison Avenue, New York

TO PUBLISHER OF

ORDER No. 23997

CITY AND STATE

DATE

PLEASE PUBLISH ADVERTISING OF [advertiser]
FOR [product]

SPACE TIMES DATES OF INSERTION

POSITION

COPY KEY CUTS

ADDITIONAL INSTRUCTIONS

RATE

LESS AGENCY COMMISSION PER CENT ON GROSS LESS CASH DISCOUNT PER CENT ON NET

Subject to standard conditions on back hereof. BATTEN, BARTON, DURSTINE & OSBORN, Inc. PER

1. No advertisements should be inserted to apply on this contract except when covered by specific insertion order.
2. In case contract is returned for revision, no insertions should be made until mutual agreement is reached.
3. We reserve the right to withhold payment for any advertisement for which we do not receive proof of publication.

Member of
AMERICAN ASSOCIATION OF ADVERTISING AGENCIES

Standard Order Blank, "A. A. of A. A. Form." Copyright 1920, American Association of Advertising Agencies. Blank No. 1 (OVER)

To BATTEN, BARTON, DURSTINE & OSBORN, Inc. _____ 19
383 Madison Avenue, New York
We are in receipt of your order number _____ dated _____ 19

to run the advertising of _____

Service will be given in accordance with order. First insertion _____

Paper _____ Town _____ State _____

_____ Publisher.

TO PUBLISHER—Please tear this off, fill out and return to us at once.

A standard contract form.

It may, on the one hand, plan the entire campaign and direct its execution, or it may merely receive orders for operations in its own selling sector and look after the details of carrying them out. Again, it may work wholly by itself, or it may lean heavily on the advertising agency. Under any circumstances, there are certain activities, common to all advertising campaigns, which must be carried out by someone, either in the advertising department or out of it. While the activities of the advertising department are many and vary widely, the following are common to most, and comprise practically all the possible lines of work that should be engaged in, if the department is to concern itself with everything that affects the advertising campaign.

(a) *Charting the selling points.*—Because of his contact with salesmen and dealers, the advertising manager is in a position to list the selling points which have been found to be most successful. Simply listing these points is not sufficient, however. In addition, he should secure supporting evidence in the form of endorsement letters, photographs of users, and other similar materials.

(b) *Passing on advertisements.*—In a great many advertising departments, the copy and follow-up material is written by the advertising manager or his assistant. In others, the advertising agency writes the material. When it is handled in the latter way, final approval of copy, layout, and illustration rests with the advertising manager.

(c) *Promotion work.*—The advertising manager is in charge of the handling and distribution of all circularizing—to both dealers and consumers. He also has charge of the distribution of dealer helps, such as window trims, signs, electrotypes, etc. Also, he has complete charge of mailing lists.

(d) *Selling the advertising plan to the sales organization.*—The advertising manager must of necessity acquaint the salesmen with the advertising program, in order that they may be familiar with the part they are expected to play, and the talk they are to give regarding the advertising activities of the house.

(e) *Checking and approving all bills for advertising.*—Keeping accurate records of all advertising placed, and studying the results from all advertising and follow-up efforts; close coöperation with the salesmen in their territories through the sales department.

3. *The sales manager and advertising.*—In many organizations, the man who has charge of the sales force is also responsible for the advertising. Theoretically, this would seem to be the ideal method of obtaining coöperation between selling and advertising. These two activities of a business are certainly dependent upon one another for the best results, but it does not always follow that both activities should be under one head. Even a competent sales manager is not necessarily a qualified advertising man. One of the real problems of the advertising manager is to develop plans that will insure the coöperation of the sales force with the advertising; in the same way,

he sales manager often meets resistance in the fail-
ıre of the advertising manager fully to appreciate
ales problems and sales value. Such conditions are
question of organization and management rather
han of advertising principles and methods, and their
xistence does not imply that one man should do both
obs.

Advertising alone does not sell goods, either to the
ealer or to the consumer. Advertising is an aux-
liary sales force that starts the job. The sales force
ıust carry it through, but much of the success of
ales campaigns depends upon the manner in which
dvertising has paved the way for the sales force.
The combination of effort is as necessary to produce
ction as the flint and steel in the old-fashioned tin-
er box. Neither can produce the spark alone.

Friction between the sales and advertising depart-
ıents is far too common. Every means possible
hould be taken to guard against it, and to eliminate
t where it exists. There have been instances where
sales force has openly voiced a protest against an
dvertising campaign under the mistaken impression
hat the money appropriated for advertising meant a
urtailment of their commissions. Had these same
alesmen analyzed the situation properly, they would
ave learned that, as a matter of fact, their oppor-
unities for more sales and more commissions were
reater with the advertising than without it.

Disagreements often arise between the sales man-
ger and the advertising manager of a business be-

cause of jealousy, and a misconception of each other's functions and responsibilities. The two departments are interdependent and neither can function effectively without the active and intelligent help of the other. As a matter of fact, in many well-organized businesses, the advertising manager is under the jurisdiction of the sales manager. Where this is not the case, they should work in close harmony, and each keep the other informed as to what he is doing and planning to do.

4. *Giving responsibility to the advertising manager.*—The business that permits its advertising manager to be one in fact as well as in name, allowing him to *manage* the advertising, will derive more positive benefit from his activities than the business whose advertising manager is operating under a check rein. To him should be delegated the duties of supervising the planning of the campaign and the complete details of the execution of the plan. Many advertising campaigns have been failures, because the recommendations of the expert advertising manager have been altered in favor of plans based largely on the prejudices and personal opinions of his superior officers.

In the earlier days of the manufacture of guaranteed hosiery, the advertising manager of a large hosiery mill (who was also sales manager) repeatedly reminded his superiors that the guaranty of "a new pair of hose within three months" was a rock of destruction toward which the business was steadily

rifting. He pointed out that the amount of re-
urned goods from their largest retail outlet, in a
reat metropolitan center, was out of all proportion
o sales. The manufacturer had been one of the first
o inaugurate a guaranty with hosiery. He was
bdurate. They could not, he said, safely alter the
erms upon which the hosiery was then sold. The
ondition would rectify itself, and the percentage of
eturned goods diminish until they had reached a
ormal figure. He would not withdraw the guar-
nty in the face of competition. A half-dozen or so
f his competitors were making hosiery with parallel
onditions of guaranty. When the big metropolitan
etailer, tired of the tremendous and unproductive
urden of making good on hosiery returned to his
tore, threatened to throw out the line, the manufac-
urer became panicky and gave ear to the advertising
anager's suggestions.

The advertising manager's proposal was a disagree-
ble pill for the manufacturer, but losing his largest
istributor would have been like losing a leg. The
ill was better than an operation. The manager
aid, in effect: "We will issue no more three months'
uarantees. We will put in each pair of hose a ticket
eading, 'If you feel that you have not had satisfac-
ory wear from these socks, take them back to the
ealer who sold them to you and he will give you a
ew pair in exchange.' "

The advertising manager knew human nature. He
new that the former guaranty of three months from

date of sale encouraged the return of goods. He also knew that the new phrasing of the unqualified guaranty put the question of wear up to the buyer's sense of fair play. Where the return privilege had been abused before, now it was so rarely taken advantage of that dealers had no ground for complaint. Returned goods dropped to a negligible figure. Furthermore, competitors were compelled to follow suit, one by one, but not until the pioneer in the *unlimited* guaranty had established leadership, through the suggestion of his advertising manager.

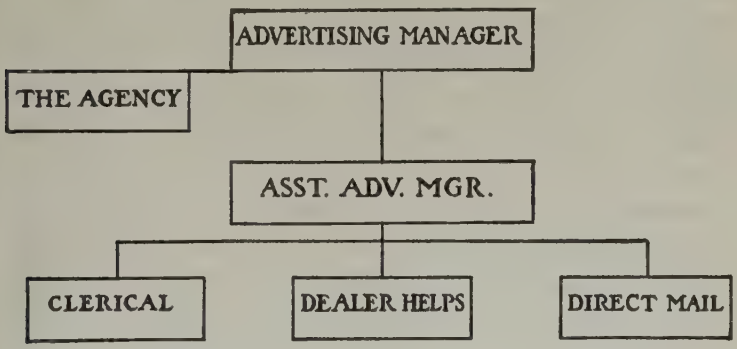
5. *Sharing responsibility with the agency.*—As before pointed out, the responsibility for success or failure of the advertising campaign should rest, finally, upon the advertising manager. To a degree, he may share this responsibility with the agency with which he operates.

Frequently, the selection of the agency either devolves entirely upon the advertising manager, or it is influenced by his suggestions. Therefore, he is in position to stand or fall with the agency of his choice. If the campaign is a success, naturally, some credit goes to the advertising manager. Following the same line of reasoning, if the campaign is unsuccessful, the advertising manager must shoulder a part of the responsibility for failure.

At the outset of every campaign, the duties of the agency, and those of the advertising manager, should be clearly outlined. The function of each should be carefully designated, limits of operation clearly es-

tablished, and these limits adhered to strictly. Points, such as who is to buy space, who is to make contracts with the various media, who is to O. K. proofs, who is to keep the records of advertising, etc., must be decided upon, not only to prevent friction in the operation of the campaign, but to preclude any possibility of shifting responsibility or, in slang parlance, of "passing the buck."

6. *Departmental organization.*—The advertising department of every advertiser is organized to meet



Organization chart of a small advertising department.

his particular requirements, with the result that there are probably as many different kinds of advertising departments as there are advertisers. Some advertising departments consist of several hundred persons while others have a personnel of five or six. The majority of these departments are managed by one executive who approves all activities; the work of other departments is supervised by committees.

On pages 97, 100 and 101 are shown three charts of typical advertising departmental organizations. The method of organization must always be adapted to the particular requirements of the business to be served. In the main, there must be divisions for each branch of the advertising. There must be men who act in contact with dealers. These men see that the dealers are supplied with advertising material, call on dealers to keep in touch with consumer conditions, obtain and act upon suggestions from dealers and check up on retail sales in given territories. Other men act as investigators and research men. They explore new sales territories, perform missionary work with jobbers and retailers, and compile reports of sales, sales resistance, competition, etc. They also work in conjunction with local newspaper service departments in introducing new products or opening up new sales territories. Other men are writers who prepare the advertising messages to dealer and consumer, prepare catalogs, car cards, posters, sales letters, direct-by-mail material and, sometimes, material for house organs. Others are clerks whose work is to write and place the advertising orders, forward them with material, keep records of advertising costs, inquiries, etc., check up the advertising bills, and pass them for payment.

7. *Branch advertising departments.*—A few organizations, like the National Lead Company, International Harvester Company, and Sherwin-Williams Company, maintain an advertising department at the

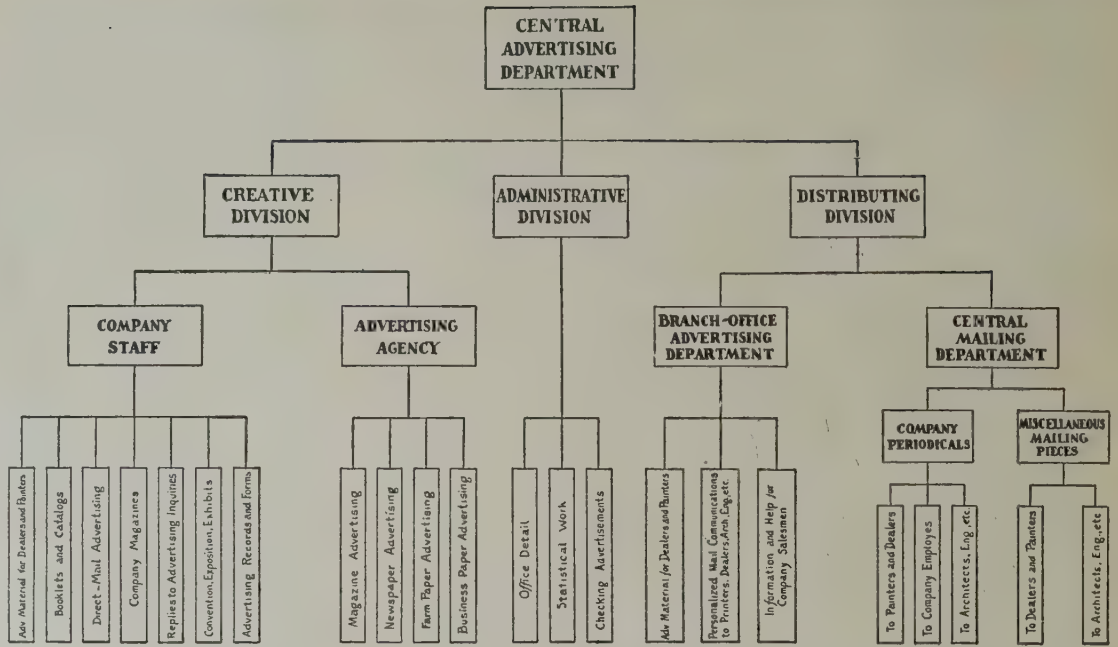
home office and, in addition, separate departments in each of the branch offices or territorial districts. These branch advertising departments work under the direction of the advertising manager in the home office. Being "on the ground" and in close touch with local conditions, they are frequently able to prepare both timely and pertinent material for circular and newspaper advertising. They are in close personal touch, also, with the salesmen and the dealers, and consequently are able to inject that quality of appeal that touches local pride or reflects local conditions.

8. *Working with salesmen.*—James H. Collins concludes his brilliant little book, "Human Nature in Selling Goods," with this sentence: "Salesmanship, be it ever so ably developed, can only sell what people really need." The greatest aid, therefore, that can be brought to the salesman's cause is material that shows his prospect *why* he needs the product or the service that the salesman has to offer. The man or men responsible for the advertising appeal must bear in mind the part of the job that advertising must perform in helping the salesman.

The salesman must be kept informed of how the advertising has been planned and executed to assist him. Many advertisers, who have salesmen on the road, adopt the very good plan of sending them proofs of all national or local advertising as soon as it is approved, often long before it is released for publication. A study of the proofs will inform the salesman as to what the manufacturer is saying to

Reproduced by permission of Armstrong Cork Company.

Organization chart of a large advertising department.



Reproduced by permission of National Lead Company.

Organization chart of an advertising department having branch departments.

the public about his product, and how he presents his arguments. This gives the salesman an opportunity to tune his presentation with the advertising.

Sometimes new uses will be developed for a product, after the salesman has left the office. These the salesman will learn about from the advertising proofs. Although most national campaigns are shown to the dealers before the advertising actually appears, new appeals are presented from time to time, and the salesman should be furnished with proofs to show the dealers.

The more proofs of good advertising in preparation that a house can forward to its men on the road, the more confidence the men will have in the backing that the house is providing for them. The more enthusiasm a salesman works up, the better he sells. One good way to arouse a salesman's enthusiasm is by letting him see the evidence of the house's confidence in its product as represented by the advertising.

9. *Selling the campaign to the organization.*— Many salesmen do not understand the purpose and the methods of advertising. Sometimes they suspect that the increasing importance of advertising means the decreasing importance of the salesmen. It is necessary, therefore, for the advertiser to be sure not only that his salesmen understand the functions of advertising, in general, but also that they are fully in sympathy with the purposes of his own advertising.

The critical attitude of some salesmen toward advertising is not unnatural. In the past, the advertising man has not been a part of the sales organization; he frequently made his plans without consulting the sales department. Under this illogical arrangement, the salesmen often were not told of the advertising plans in advance; they did not know what advertising was to be done until they saw the advertisements themselves, perhaps through a dealer's calling attention to them. Naturally, the salemen resented being left out of the plans; their lack of knowledge of the activities of the house reflected adversely on them and on their employer. The modern executive avoids these unfortunate conditions, either by putting personal salesmanship and advertising under the supervision of the same man, or by insisting that all advertising plans be worked out in coöperation with the sales department, and by taking steps to see that the salesmen are told about the advertising, that they believe in it, and use it in every possible way to increase their sales.

Advertising is "sold" to salesmen in a variety of ways. At sales conventions, it is customary to have the advertising manager explain in detail the plans of the coming season, to answer questions, and to obtain the enthusiastic coöperation of the salesmen. House organs are often used to tell the men about the advertising, to explain the purpose of it, and to show them how the salesmen can make the most of it. Some advertisers go so far as to explain in detail

to salesmen, through the house organ, the reasons why the different advertising media are used.

The tactful advertising manager is often able to ask advice from salesmen, and to retain their interest and coöperation by showing them the reasons for his conclusions, even if he finds it necessary to reject some of their suggestions.

REVIEW

State and explain the functions of an advertising department.

Discuss the question as to what responsibility should rest with the advertising manager, what with the agency.

Explain the function of a territorial advertising department.

Show how the advertising should be coördinated with and "sold" to the sales force.

CHAPTER VI

THE ADVERTISING APPROPRIATION

1. *The marketing bridge.*—The advertising campaign is a bridge across the stream of competition, leading from Advertiser's Town to the Town of Consumer Market. The length of the bridge may be said to represent the duration of the campaign, and the materials of which the bridge is constructed are the media that the advertiser uses to tell his story. The advertising bridge must be long enough to reach the other side and strong enough to bear the advertising load put on it, else the advertiser may find himself thrown into the whirling current of competition. When it happens that the advertising bridge is not strong enough, the advertising objective cannot be reached.

Planning and building the advertising campaign "bridge" calls for as expert "engineering" as does the bridge of stone and steel. Intensive study and expert analysis of all the tangible and known factors, and careful consideration of the intangible and unknown factors, must be called into play. The skilled advertising bridge builder estimates its cost before he starts to build. He carefully works out the maximum weight his bridge will carry, before the first

stroke of actual work is done. The farsighted advertiser will be no less careful in testing the strength of his materials. The appropriation will be considered in its relation to other factors, and not as something he can decide upon arbitrarily, as a thing apart.

Sales and manufacturing policies should be carefully studied in each individual instance before the word appropriation is even mentioned. Otherwise, the bridge may resemble one in a country district, built by a zealous Board of Freeholders, which had no road leading to it.

An advertiser may have set aside a definite amount to be invested in advertising over a given period of time. After selecting his media, he may find that he can put on only a limited campaign with the amount of the appropriation. Good judgment will dictate pruning the list of media carefully, eliminating a medium here and there for the purpose of giving his advertising a longer life. Even after the trimming process, it may be found necessary to spend more money than originally planned. It is far better to spend the extra amount than to weaken the bridge; or, if funds cannot be had, it is advisable to postpone the building of it until such time as an adequate, dependable advertising bridge may be constructed.

If it is found necessary to hold the expenditure down to a certain amount, it may be better policy to consider smaller space before cutting down the list of media. Successful advertisers are more often those who use a large list of media than those who concen-

trate their advertising in one, two, or three media, although the latter method has proved successful.

The amount of the advertising appropriation must necessarily be governed by the objective, by the actual or desired position of the advertiser in his field, and by the competition he must overcome by his advertising. Inadequate appropriations have caused more advertising failures than any other factor. Overadvertising produces waste, but underadvertising produces both waste and failure.

A recognition of this truth, and of the further fact that definite information leads to intelligent decision, is causing experienced advertisers and advertising agents to seek a scientific basis for determining advertising appropriations. It is not necessary to have a huge sum of money with which to start advertising. Many of our largest advertisers started on an unbelievably small scale. Even the smallest appropriation will bring results, if it is wisely used. It is not the size of the beginning, but the consistency of the effort, and the direction of the expenditure, that count.

The advertiser, whose funds for advertising are strictly limited, must of necessity plan to the best of his ability to have the advertising campaign meet existing conditions, yet keep within the limitations of the money available.

The advertising may be planned in such a way as to cover one district, or even one city, in the beginning. As the business grows, the campaign may be

extended gradually, until national distribution shall have been secured. When this point has been reached, or even before, the appropriation may be computed on one of the more scientific plans to be discussed later in this chapter.

2. *The beginning cost, the highest.*—The advertiser breaking into a market with a new product, or breaking into new markets with an old product, faces an entirely different problem from one who has already gained a foothold by advertising. The hardest work the advertising dollar has to perform is at the start of a campaign. In the beginning advertising seldom pays its way. Time is usually required to produce satisfactory returns. As the farmer plants his seed and waits, knowing full well that if the seed is right the harvest will come, so the advertiser invests his money and works with his advertising—fertilizing, spraying, and weeding—knowing full well that, if his advertisements are intelligently prepared, and if he has chosen his market and his plan carefully, time will bring the harvest.

The advertiser may find that the first year it costs him two dollars per order, if he is selling a three-dollar book by mail; but the fifth year's advertising may bring the cost of sales as low as twenty-five cents. If he is marketing a more costly article, such as a typewriter, washing machine, or vacuum cleaner, the first year's advertising cost may represent $35 per unit in making sales, but the advertising cost per unit should decrease with each succeeding year, un-

til a minimum advertising cost per unit is reached.

There are a number of sound methods used by successful advertisers in arriving at the size of the advertising appropriation. The method that should be followed in any specific instance depends largely upon the particular conditions in the advertiser's own business and in the industry as a whole.

3. *Basing the appropriation on percentage of sales.*—The most popular plan of arriving at the size of an advertising appropriation is probably that of basing it on percentage of sales. Concerns that use this basis set aside a definite percentage of sales for advertising, using either the sales figures of the previous year, or the anticipated sales for the coming year.

Undoubtedly, the reason for the popularity of this plan may be found in its mathematical simplicity. When this plan is followed, however, it must be remembered that the percentage that is used in one industry will not necessarily be applicable in any other industry, or even in other competing businesses within the same industry.

4. *Basing the appropriation on number of unit sales.*—A growing practice with some companies, in determining their advertising appropriations, is to figure a certain amount per unit of expected sales. They feel that it is just as important to help the dealers make sales to consumers as it is to help jobbers and wholesalers. In fact, this tends to insure permanent sales success. The advertiser reasons

rightly that it will be worth a great deal to his sales, if dealers are assured that consumers are acquainted with his product, and will readily accept it when it is recommended by the dealers.

There is a classic and oft-quoted example of basing the appropriation on number of unit sales. A manufacturer of nipples for babies' feeding bottles had an output of 100,000 units at a cost of 12¢ each. They were sold to the trade for 14¢. The first year of his advertising experience he appropriated 1¢ per nipple for advertising. He sold 200,000 units and his volume production brought the manufacturing cost down close to 11¢ instead of 12¢. The second year, he appropriated 2¢ per nipple on the previous year's business, sold 300,000, and the manufacturing cost came down again, by the same process. The third year he increased his appropriations to 2½¢ per nipple, and sales increased so that his manufacturing cost now approximated 9½¢. He reduced his price 10¢ a dozen to the retailer, and the latter passed along a part of the reduction to the consumer. The manufacturer was making more money than he had ever made before; the retailer was selling more nipples, at a better margin of profit; the consumer got a better article for less money.

5. *When advertising begins to show a profit.*—The initial campaign cannot be taken as a guide in deciding how much must be appropriated to produce a certain number of inquiries, or to produce sales for a given number of units. The appropriation cannot

be expected to have a direct ratio to the resulting sales. To refer to the experience of the nipple manufacturer, the first year's appropriation of 1¢ per nipple, on 100,000 nipples, was followed by a sales result of 200,000 units, *i.e.*, $1,000 worth of advertising was instrumental in selling 200,000 units, virtually making the advertising cost ½¢ per unit. But the third year, an appropriation of $7,500 sold 1,600,000 units at an advertising cost of less than ½¢ per unit. At the same time that advertising costs were lessened, manufacturing costs were brought lower by increased volume of production.

When advertising begins to show results in sales, the percentage upon which the appropriation is based may be cut, even though the appropriation is increased. For example, the Proctor & Gamble Co., manufacturers of Ivory Soap, Crisco, and many other products, spent in 1924, for advertising, $2,429,050, and did a volume of business amounting to $121,372,682. They spent that year, therefore, a little over 2 per cent for advertising. In 1925, they spent $3,041,982 in advertising, from which they secured sales of $156,065,001, making their appropriation only 1.95 per cent. This illustrates the familiar principle that the percentage of advertising costs tends to decrease as sales increase, at least up to certain limits.

6. *Basing the appropriation on previous expenditures.*—The advertiser who bases his appropriation on the amount he spent the previous year appears guilty of practicing rule-of-thumb methods. Of

course, if the amount of the previous year's advertising is used simply as a basis upon which to make calculations for an increased appropriation, there is no objection. If, however, the advertiser blindly appropriates the same amount he spent the year before, without taking into consideration possible changes in the market, or the advertising of his competitors, he can hardly expect to make progress. One of the leading advertising agents will not accept advertising accounts unless the advertiser is willing to increase his appropriation by at least 15 per cent each year. He will not handle an account unless the business of the advertiser is to grow, and he estimates 15 per cent as the lowest normal, healthy increase of a business that does consistent advertising.

How long an advertising appropriation can be maintained at a fixed annual sum depends almost wholly upon competition. A new product may enter the field. An individual competitor may see fit to increase his appropriation for a concentrated drive, or he may decide to mass it at a given point. These, with the possibility of a combined push by all competitors, and the competition of all advertising, are the four factors that must be considered by the advertiser who feels that he can adhere to the same advertising outlay, year after year. Where 100 lines got attention in the newspapers of ten years ago, double, or more than double, that space would be required today. For example, the *New York Times* ran 31,000 columns of advertising in 1914. In 1925

it ran approximately 95,000 columns, and in 1929, it ran 108,000 columns. The same condition exists in magazines. Some magazines of today are so crowded that advertisers often find it necessary to use larger space in these magazines, even though they are obliged to use fewer publications.

7. *Basing the appropriation on number of purchasers.*—Other advertisers do not concern themselves with basing the appropriation on past or future sales, or upon a specific amount per unit of contemplated sales. They prefer to spend a certain sum in advertising their product to each prospect for it. These advertisers believe that their problem is one of constantly reminding prospects about their product so that they will remember it when they are ready to buy. Consequently, when figuring their advertising appropriation, they base it on the number of possible prospects.

8. *Basing the appropriation on cost per sale.*—Mail-order advertisers, and others, use the cost per sale as the basis for calculating their advertising appropriation. Thus they make their advertising pay its way, and they make their appropriation with this end in view. When this plan is used, the size of the appropriation usually depends upon how many sales the advertiser estimates that he can make. Some criticize this method on the ground that there can be no relationship between an advertiser's sales and his advertising. The fact remains, however, that the relationship does exist.

For example, a certain advertiser has found that he can afford to pay $20 for his average sale and still make a reasonable profit. He estimates his appropriation on this basis, taking into account the amount of business he can handle with the capital available. He places his advertising on this basis. Analysis shows that he converts five per cent of his inquiries into sales. If inquiries from a particular medium cost more than one dollar on the average, that publication is dropped. If the inquiry cost in any magazine is under one dollar, more space is used in that publication. The records of most mail-order advertisers show the cost per sale on business resulting from each issue of every publication used, as well as the cumulative figures over a period of years for each publication. These records enable the advertiser to govern the amount of space to be used in each publication in accordance with that publication's demonstrated results during previous years.

9. *Basing the appropriation on the amount of advertising needed.*—To introduce a new product or service, to obtain new dealers or to get new users for a product, a certain amount of advertising is needed. Unless the advertiser can see his way clear to appropriating the necessary amount of money for advertising to accomplish his aims, it is wiser not to attempt advertising at all. If an advertiser wishes to dominate and to use full pages, it will cost him a certain amount of money. Advertising men often know by experience approximately what amount is

necessary for a nation-wide campaign, for a product of general appeal to accomplish satisfactory results. In planning such a campaign, one must first decide on the advertising needed, and then be prepared to spend the amount estimated as necessary to put it over.

10. *Basing the appropriation on profits.*—Another method of determining the amount to spend on a campaign is to set aside a certain percentage of the previous year's profits, and invest the amount in an advertising campaign. One of the world's largest manufacturers says of this plan: "I hold strongly that the best investment for surplus profits is to expend them on judicious advertising, wisely and carefully planned, and executed with originality and forcefulness. These same surplus profits, invested wisely in advertising, then become a real 'gilt edge' security, and a solid reserve of strength to meet days of difficulty, and to overcome competition. The business thus provided with reserve stands four-square to meet and overcome every attack."

This matter of reserve strength brings up the question, What happens when the appropriation is cut? Many concerns that have curtailed or stopped advertising for any length of time have watched their sales go down as their name has lapsed from public memory. A case in point is the well-known story of the Pearline Company.

Shortly after the death of James Pyle, the originator of Pearline, the people in charge decided that

the product was so well known and established that further advertising was unnecessary. At that time, they were spending about half a million dollars a year on advertising. The annual profits were said to be well over a million dollars. When the advertising was stopped, the business began to fall off. By the time the cause was recognized, it was too late. The public had forgotten about Pearline, and had turned to other products. The effect of this mistake was that the entire business was sold to a competitor, a few years later, for about $12,000.

Innumerable instances might be cited of concerns that have built up their businesses by adopting the policy of putting their profits into advertising, when the business was in its infancy. The plan may be likened to that of plowing a good portion of the profits back into the business.

11. *Dealer's appropriation.*—In every community, the advertising activity of the retail merchant is much in evidence. Obviously, he advertises to sell definite articles, or to invite the buying public to shop in his establishment. A survey of the practices of retailers in arriving at their advertising appropriations reveals the fact that, while a number resort to the plan of spending whatever amount they have to spare, many base it on a percentage of sales. The percentage ranges from nothing, in the case of small establishments, to as high as 10 per cent, the most common expenditure being in the neighborhood of two per cent.

A retailer may frequently enjoy considerably more advertising than he actually pays for. A large manufacturer of men's clothing, for example, who confines his line to one dealer in a town, will allow that dealer a certain amount each year for advertising the line of clothing over his own name in his local newspaper. Thus, every advertisement that the manufacturer pays for is an advertisement for the retailer, increasing his prestige and the pulling power of whatever other local advertising the dealer publishes.

12. *Apportioning the appropriation.*—There is no specific formula for apportioning an advertising appropriation. Each advertiser's problem is a case in itself, and should be dealt with individually. When a manufacturer has only one article to advertise, his problem of apportioning the appropriation is comparatively simple. When a manufacturer has an extensive line, the deepest thought and analysis must be brought to bear, to determine which members in the line require the greater or smaller amount of advertising to move them to the dealer or to the consumer. For example, a paint house may find that it pays to push its varnishes, and the major part of the advertising appropriation will be used in advertising the varnishes, with an occasional advertisement for the general line. A manufacturer of tools may push his specialties, and allow only a small part of his advertising appropriation to be used for advertising his staple articles.

Everyone knows Sir Thomas Lipton as a tea

merchant. Not everyone knows that he also markets coffee, cocoa, and jelly tablets. These last three products are being made more familiar to the public through advertising. Each succeeding Lipton campaign is so apportioned that it tells less about Lipton's tea, which is so generally known, and more about the other Lipton products.

A manufacturer who makes articles of the same general character, but of varying grades, will often apportion the major weight of advertising to the higher-priced articles in order to reflect prestige on his cheaper products. Season is also a factor in the apportioning of an advertising appropriation. A manufacturer of knit goods may advertise his sweaters, caps, etc., for nine months in the year, and devote the other three months to bathing-suit advertising. If his appropriation is $1,000 a month, this policy means an expenditure of $3,000 for advertising bathing suits, and of $9,000 for the other numbers in his line.

The table on page 119 lists a number of leading newspaper and magazine advertisers, in a recent year, with the percentage of gross sales spent for advertising.

13. *Percentage of appropriation for dealer advertising.*—It is well known that large sums of money are wasted in dealer helps that do not help. It is equally well known that many manufacturers neglect this important part of advertising and could, with

	Percentage of appropriation to gross sales	Division of Appropriation by Percentages				
		General Magazines	Newspapers	Direct Mail	Radio	Miscellaneous
Yawman & Erbe Manufacturing Co.	3.6	27	15	20	.....	38
Fuller Brush Company	3.0	60	.....	.....	40	.....
Pepperell Manufacturing Co.	1.96	30	17	17	5	31
Gulf Refining Company	1.0	.....	20	.....	.....	80
Auto-Strop Safety Razor Co. Inc.	12.5	25	50	.....	.....	25
Welch Grape Juice Company	.082	10	70	2	.....	18
Strathmore Paper Company	5.0	30	.....	65	.....	5
Armour & Company	.....	26	13	6	20	35
Studebaker Corp. of America	.....	15	60	.....	.....	25
Graybar Electric Company, Inc.	1.0	24	14	2	21	39
Coleman Lamp and Stove Co.	5.0	47	.....	16	7.5	29.5
The Hoover Company	5.0	43	22	14	.....	21
Burroughs Adding Machine Co.	2.75	45	10	.....	.....	45
Dennison Manufacturing Co.	3.0	19	.....	14	.....	67
Coca-Cola Company	15.0	15	.....	.....	10	75
Kraft-Phenix Cheese Corp.	3.0	40	40	.....	4	16
The Simmons Company	3.0	42	40	.....	.....	18
Armstrong Cork Company (floor division)	6.0	50	10	5	10	25
Bristol-Myers Company	30.0	60	2	1	12	25
E. R. Squibb & Sons	.....	34	14	.....	7	45
Loose-Wiles Biscuit Company	1.5	17	41	1	.....	41

profit, spend more money for dealer helps, and less for general publicity. No matter how much money is spent for dealer helps, ingenuity is needed to make every dollar so used effective. More effort along this line will accomplish the double objective of making the advertiser's trade help more important to the dealer, and increasing the effectiveness of the general publicity.

The apportionment of the manufacturer's appropriation to dealer advertising varies enormously. By

way of illustration, the following table shows, roughly, what percentage of the total appropriation is set aside for dealer helps in various lines:

	Per Cent of Appropriation for Dealer Advertising	
	Average for Advertisers Using Dealer Helps	Average for All Advertisers
Agricultural supplies	7	6
Sporting goods	12	6
Automotive products	17	14
Drug and toilet articles	5	4
Electrical goods	37	27
Food products	8	7
Household products	19	17
Industrial products	55	11
Machinery and hardware	6	4
Office equipment	20	8
Optical goods	6	6
Paint	20	12
Radio	18	9
Silverware	13	13
Tobacco	17	17
Wearing apparel	12	10

Sometimes a manufacturer will pay a proportion of the dealer's local advertising expense, with the understanding that every advertisement of the dealer shall be so apportioned that the advertising of the manufacturer's product occupies one-fourth or one-half the space, according to the terms of the agreement. A certain collar concern allowed a New York haberdasher a sum for advertising in New York newspapers on a fifty-fifty basis. The upper half of the dealer's advertisements was occupied by the collar advertising, the lower half was devoted to the dealer's copy for haberdashery. By this method.

the dealer commanded twice the space he otherwise would have used in the newspapers. Obviously, this practice has many evils and should be watched carefully. A definite schedule of copy and amount should be agreed upon and adhered to. It is not always desirable for a manufacturer to permit the retailer to dominate the space.

REVIEW

Discuss the relative merits of (a) reducing the number of media to be employed, and (b) using smaller space for the purpose of keeping within a limited appropriation.

Explain and compare the following bases to be used in determining the advertising appropriation: percentage of sales, amount per unit of sales, previous expenditures, number of purchasers, cost per sale, amount of advertising needed, and money available.

Discuss the bases for apportioning the appropriation (a) between general advertising and dealer helps, and (b) between different articles to be sold by the advertiser.

Show how manufacturers share the retailer's advertising expenditure.

CHAPTER VII

KINDS OF ADVERTISING MEDIA

1. *Defining media.*—In the broadest sense, any means whereby an advertising message, suggestion, or impression is carried to a reader or a listener is an advertising medium. The harangue of the barker in front of a sideshow is a simple, and usually effective, method of advertising what is to be seen within. The publicity story of the love of a chorus girl for the little inmates of an orphan asylum is simply advertising disguised, and the stories of lost jewels, narrow escapes from burglars, milk baths, radio appearances, and other extra-theater activities of famous stars of the stage are intended to advertise them, and so keep the public interested, always with the hope and expectation that the line at the box office will be lengthened.

Any channel, through which the name of an individual, a product, or a service is made known to the public, may be classed as an advertising medium, from the shabby individual on the sidewalk with a sign on his back extolling the merits of a pants pressing shop, to an expedition to the ends of the earth, sponsored by a great newspaper.

2. *Defining circulation.*—Just what is circulation?

The *N. W. Ayer Newspaper Annual and Directory* defines it as "the average number of complete copies of all regular issues of a publication for a given period, exclusive of leftover, unsold, returned, file, sample, exchange, and advertisers' copies."

However, circulation and readers are two different things. A person may purchase a publication and not read it—at least, not thoroughly. Unless the buyers read a publication, the advertising will not be seen. On the other hand, a single copy of a humorous weekly, left in a barber shop, may be read by a dozen or more people. The value of a publication depends on the number of persons who read it.

Only during recent years have statements of circulation been at all reliable. As a rule, they were exaggerated to such a degree that they were worthless to the advertiser. Publishers have now adopted an entirely different attitude, and practically every reputable medium issues sworn statements of its circulation and distribution. In addition, the United States Post Office Department demands, from newspaper publishers, sworn statements of their circulation; and the Audit Bureau of Circulations, to which most daily newspaper and periodical publishers belong, issues detailed analyses of circulations for its members.

3. *Classes of media.*—All advertising media may be broadly divided into five classes: (a) periodicals; (b) direct; (c) signs; (d) radio; (e) stunts.

An advertiser using periodicals has no control over

their circulation. True, he may choose carefully the media to be used in his campaign, but he can only take the publishers' statements as to the class of readers they will reach.

On the other hand, an advertiser who uses direct-mail advertising has practically absolute control over the circulation. He may send his message to 500, or to 5,000 prospects, or to any number he pleases. The size of his audience is a matter of his own choice.

The only control an advertiser has over radio broadcasting or over the various kinds of sign advertising, is that he may choose the area of his effort. The seller of this kind of space, it is true, will provide estimates of the number of people passing a given point or of owners of radio sets, but he has no control over the type of users.

In war, few campaigns succeed by the use of one branch of the service alone. Successful tactics require the selection of the branch that is best adapted to the specific work in hand and the coördination of the other branches. Under the artillery barrage, the infantry advances and performs its work. A campaign of poster advertising, alone, would rarely be successful for any product, but, followed up by the "rifle fire" of newspaper advertisements, piling up one mental impression upon another, daily, triweekly or semiweekly, the power of either medium gains strength from the other. The same holds true of radio broadcast advertising, though, in large centers of population, some merchants may depend almost

entirely on periodical programs from a purely local station.

4. *Newspapers.*—Newspapers, as a class, carry more advertising than any other single medium. Manufacturers and the local retailers both find that newspapers are important advertising aids. The advertiser of today understands, as never before, that each section of the country, each market, must be considered as a separate unit, from the standpoint of the climate and distance, and the social and business conditions which determine whether or not its business is worth reaching for. He recognizes that the buying habits of the people differ widely in various sections, because of the well-known differences in local conditions governing these buying habits. The manufacturer who finds an equal opportunity in all markets is a rare exception.

There are approximately 14,000 newspapers, published in about 11,000 cities and towns in the United States, and about 1,100 in Canada. Of the newspapers in the United States, about 2,300 are dailies; 11,000, weeklies. In Canada, about 125 are dailies; 805, weeklies. The aggregate circulation of the dailies in both countries, without considering that of the weeklies, is about 45,000,000.

5. *Magazines.*—According to contents, magazines may be classified in a number of ways. Some may be classed as all fiction, others review the current news, and some contain both fiction and news. In general, there are five types of magazines—the re-

view type, like *Review of Reviews* and *Literary Digest;* the fiction type, like *Red Book* and *Adventure;* class publications, like *House and Garden* and *House Beautiful*, which go to select groups; the informative type, into which fall most women's publications, like *Good Housekeeping* and *Needlecraft;* and the general type, like the *American* and *Saturday Evening Post.* The mission of the first type is to review the news of the week or month, and instruct, while the object of the other types is to inform, inspire, and entertain.

Some of these magazines are published weekly, some twice a month, and others monthly. They go to, and are read by, innumerable groups of people, each having its own customs and preferences. Most publishers are in a position to provide advertisers with circulation figures based on the age, sex, and occupation of their subscribers. Magazines have helped to make the whole continent a market place for the wares of manufacturers who otherwise might have been doomed to a local market.

6. *Farm papers.*—The fifty million persons comprising the rural part of the population of the United States constitute a separate and distinct market for the national advertiser. To cover this market efficiently, with a minimum of waste, farm journals must be used, especially in view of the fact that investigation of circulation figures has shown that the general magazines cover the rural population very thinly as compared with the farm papers.

In almost every town in the United States and Canada under 10,000 population, outside of the New England manufacturing states, the dominant merchandise demand is that of the farm trade.

While, in general, farm journals are sectional in their circulation, there are at least six national farm papers that advertisers are using to reach farmers all over the continent, in the same way that they use the national magazines to reach the inhabitants of cities and towns.

7. *Technical and trade publications.*—Technical publications are those which are edited to interest men engaged in a particular profession or vocation. They aim to keep these men informed of the latest developments and news in their fields. It is for this reason that technical publications occupy an important place in the campaigns of some manufacturers.

The trade paper differs from the technical publication only in the interests of those whom it reaches. The technical magazine is directed to the production or engineering phase of business, or to a profession, while the readers of trade papers are primarily interested in the resale of commodities.

8. *Foreign language papers.*—People of foreign birth or foreign parentage compose a little more than half of the entire urban population of the United States and a little more than one-fifth of the entire rural population. In the 44 leading cities, foreign stock is from 40% to 87% of the total population. In the New England states, foreign born and chil-

dren of foreign born are 49% of the population; Middle Atlantic states, 50%; E. North Central states, 29%; Northwest Central states, 26%; Pacific Coast, 45%; and Southern states, 5% to 14%. These percentages will, of course, be lowered in time by existing restrictions on immigration.

Among the people that rightfully constitute the foreign language market are represented 30 nationalties, 15 religions, and 40 languages. Some advertisers are spending up to $200,000 a year, in the foreign language press, to reach this huge market.

9. *Programs and directories.*—That the theatergoers' market is a prolific one for some advertisers is evidenced by the fact that in one city, New York, approximately 400,000 people attend the theaters each week, not including the attendance at the motion picture theaters.

Advertisements in directories usually confine themselves to describing the type of work performed by the advertiser, or to brief specifications of the product. The amount of information which a buyer may secure from some directories is surprisingly large. For example, *Thomas' Directory of Manufacturers* lists the names of over 150,000 manufacturers. The *Telephone Red Book* is another publication of this nature. The value of such a reference book to a professional buyer is evident.

10. *College publications.*—Practically every college has its weekly or monthly publication, and there are a few where a daily paper is published. These

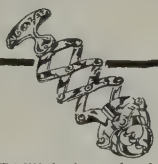
SHOPPING WITH

Janet Gray

AT

LEWIS & CONGER

THE Big Chief triumphantly brought home an Electric Fruit Reamer a few nights ago. "Squeezing fruit on a hand reamer takes too long," he said. With the Electric all you do is hold the halved fruit against the revolving reamer, and down streams the juice. It has a frosted glass bowl on a gray enameled body. Works on both alternating and direct current. $14.95



"NOW that's a real corkscrew!" said the Big Chief. "Why don't you give it as a bridge prize sometime?" Which isn't such a bad idea. Certainly the Zig Zag does a good job. It zigzags into corks, and when the handle is extended, out pop the corks without argument. $2.00

Janet Gray

LEWIS & CONGER

45th St. & 6th Ave., VANderbilt 0571

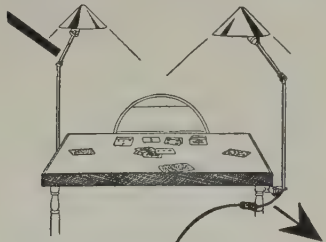
SHOPPING WITH

Janet Gray

AT

LEWIS & CONGER

MY One-Legged Table can be set across the arms of a chair, or rested on the lap. Both sides of the top can be used. One is hard and smooth—I use my Corona on it. The other side is padded for cards. My table is lacquered red. You can get them in green, too, or in mahogany finish. $7.50



THESE new Twin Bridge Lights companionably come in pairs, clamp to alternate legs of the table and rear aloft on adjustable jointed arms. One base plug takes care of them both. The shades are enameled green, red or black. $6.00 for the two.

Janet Gray

LEWIS & CONGER

45th St. & 6th Ave. VANderbilt 0571

Two advertisements designed to appear in theater programs. The "Janet Gray" series received a Harvard Advertising Award.

have been found to be valuable advertising media for the local advertiser and for the national advertiser who has a local retailer in the college town. An examination of the advertising pages of a representative college periodical would disclose the announcements of prominent manufacturers of clothing, shoes, hats, and haberdashery, as well as books, travel, jewelry, and products appealing to the college man and woman.

11. *Direct media.*—Direct media include letters (personal, form, printed, and novel), catalogs (regular, loose-leaf, and miniature), booklets, bulletins, portfolios, almanacs, house organs, mailing cards, blotters, inclosures, coupons, package inserts, broadsides, poster stamps, calendars, folders, photographs, novelties, samples, etc.

The advantages of the use of direct advertising media are well summarized by Robert E. Ramsay in his "Effective Direct Advertising," as follows:

(a) *Direct*—This follows the age-old axiom that a "straight line is the shortest distance between two points" (the advertiser and his prospect).
(b) *Timely*—The advertising may be timed in many ways.
(c) *Elastic*—Considered from the angle of mechanical or mental (copy) approach, you make the medium, and therefore can make it fit your wishes and needs.
(d) *Selective*—By this means, prospects may be picked out of a crowd. For example, a trust company might want to circularize all Liberty Bond buyers.

(e) *Economical*—This factor, of course, presupposes using direct advertising for that problem for which it is fitted according to the laws of economics. Where mass circulation only is considered and desired, this does not hold true, but where the list or lists are properly prepared, waste is reduced to a minimum.

(f) *Personal*—Your advertisement in a publication is like unto a speech in a crowd; your advertisement on a billboard (poster) is like a shout into a multitude; but a letter or other direct advertising piece is a personal talk.

(g) *Versatile*—Versatility applied may accomplish much, from getting orders direct (mail order houses employ it to great advantage), to paving the way for salesmen (manufacturing firms selling specialties are frequent users of it for this purpose), as well as many other things in between.

(h) *Individual*—You can (and should) put yourself into a piece of direct advertising. As Louis Victor Eytinge, famous as a human-interest letter writer, says: "You can get into the envelope and seal the flap."

(i) *Adaptable*—In other words, a readiness to reach prospects of every age, "from the cradle to the grave."

(j) *Flexible*—The power by which you may reach the butcher, the baker, and the electric-light maker, and talk to each in his own language.

The letter, a written or printed message, sent direct from the man who wants to sell to the man the former thinks will want to buy, is the basic and original form of direct advertising. The letter (excepting, of course, the routine letter) is the form upon

which all other physical forms of direct advertising have been built. Generally speaking, the more nearly the appeal of direct advertising follows the plan and outline of a personal individual-to-individual letter, the more nearly will it be effective.

12. *Catalogs and house organs.*—The purpose of a catalog is to tell all there is to tell about a product in lieu of a prospect's examining the goods personally. Like the directory, explained previously, it is a reference book, but it refers to merchandise rather than to manufacturers.

Some concerns are able, for a time, to confine their advertising to catalogs exclusively. Sears, Roebuck & Co. is a case in point. When this company first started, they were large users of space in periodicals. Finally, the number of customers became so great that for a long time advertising in periodicals was discontinued and only the catalog was used.

During the past few years, the large mail-order houses have established branch houses in various cities, and they now use the newspapers in local territories to a considerable extent.

House organs are issued by some firms to further their interests. They vary in pretentiousness. The many types of house organs may be grouped into four general classes, as follows:

(a) Those directed to salesmen of the concern
(b) Those directed to employees of the concern
(c) Those directed to dealers handling the product
(d) Those directed to the ultimate buyers of the product

In this section, we are chiefly concerned with the third and fourth types. Those going to dealers who sell the product present modern methods of merchandising and cite the experiences of other dealers. House organs which circulate among consumers of the product point out the manner in which the product may be used and, at the same time, endeavor to increase the use of the product.

13. *Samples and novelties.*—Sampling has been largely responsible for the success of many standard products. It is one of the oldest kinds of advertising and, when properly used, one of the best. With demonstrating, as in sampling, the actual thing to be sold is allowed to speak for itself. In a sense, sampling and demonstrating are forms of personal salesmanship rather than of advertising, because the article to be sold is usually put into the hands of the possible purchaser. Nevertheless, these publicity methods are usually classed as advertising because, usually, every sample in a lot of ten thousand is distributed in exactly the same way as every other sample; the appeal is really a mass appeal, although the samplers come into actual contact with individual prospects.

The purpose of novelties is to secure goodwill. Their value depends upon their acceptability as a gift and upon their distribution. The variety of novelties that have been used by advertisers is almost inexhaustible. Bill-folds, cigar cases, diaries, letter openers, match safes, mirrors, and watch charms are but a few.

Who has not, at some time or other, seen the green pickle watch charm of Heinz? Equally familiar are the Ivory soap cake watch charm and the cough drop paper weight of Smith Brothers. Umbrellas, horse blankets, caps, news stands, and paper bags that carry advertising are in the same class.

While most advertisers give novelties away, without charge, a few ask possible customers to pay a small price for them.

14. *Signs.*—In the main, there are five types of signs, each of which will be discussed briefly. They are:

(a) Dealers' signs
(b) Posters
(c) Painted signs
(d) Electric displays and spectaculars
(e) Car cards

Dealers' signs include those that are found both inside and outside of the retailer's establishment. Some advertisers have found it to their advantage to provide permanent signs outside of the store. Such signs bear the simple announcement, "Fred Smith, Druggist," and, beneath the name of the proprietor, a line advising the public to "Buy ——— Chocolates Here." Inside the establishment, we find display racks, counter cards, hangers, etc.—all furnished by the manufacturer.

The most extensive form of outdoor advertising is the poster. It is printed or lithographed on sheets of paper, which in turn are pasted on backgrounds,

usually known as billboards. In former years, posters were pasted on any available space, but today poster plants have erected standard sizes of boards and rent all their locations. While there are many sizes of poster sheets, the twenty-four sheet poster is now generally recognized as standard. A twenty-four sheet poster is twenty-one feet long, and nine and a quarter feet high.

Poster space is sold on the basis of showings, of which there are three. They are:

(a) Full—sufficient postings to dominate a city
(b) Half—half the number of postings used in a "full" showing
(c) Quarter—employing one quarter of the number required in a "full" showing

Painted signs are similar in purpose to posters, except that the advertisement is painted on the display surface. At times they are illuminated and at other times not. This method of advertising is desirable for those advertisers who desire to employ a few selected locations. This is explained by the fact that the original cost of lithographing is expensive, and becomes profitable only when a great many locations are used. This must not be interpreted to mean that painted signs are employed only by this type of advertiser; on the contrary, they are used by many national advertisers. Their advantage to the latter group lies in the fact that, at times, they offer larger display spaces than does poster advertising.

15. *Electric displays and spectaculars.*—There are

two types of electric displays: one is simply an arrangement of characters and copy which, though illuminated, remains motionless. In the other type, the characters move, and the copy both flashes and changes. Electric signs are used primarily for display, principally in the larger cities. While it is true that the advertisements on some electric signs are discernible by day, their real object is to keep the name of the product before the public at night.

They consist of a display of electric lights on steel frames, usually without any background. They are erected only at heavy traffic centers, and are the most costly form of outdoor advertising—that is, in terms of unit price, they cost infinitely more than posters or painted displays.

Each stand is sold separately, and the price is based on the traffic at that location. This type of advertising is so effective, in the estimation of some advertisers, that they spend the bulk of their outdoor appropriation on it.

16. *Car cards.*—When a product is purchased frequently, the car card is a logical medium for advertising it. Like poster advertising, this form is purchased on the basis of "showings," which, in the case of car cards, are generally called "runs."

In general, the cards used in cars are uniform in size, eleven inches by twenty-one inches being the standard, although larger sizes are available.

It is possible for an advertiser to buy a full run, which means a card in every car; or, he may purchase

a half or quarter run—meaning a card in every other car or in every fourth car or bus. Some time ago, advertisers resorted to the plan of buying double space in half runs, but double space is no longer sold.

17. *Motion-picture advertising.*—The use of the motion-picture screen as an advertising medium becomes less important as time goes on. While it still may be utilized, to some extent, by both local and national advertisers in isolated localities, there is an "audience resistance" to watching any picture that is either out-and-out advertising or more or less veiled and indirect. As a matter of fact, the passing of the small neighborhood theater and its replacement by the modern motion-picture palace, with its synchronized motion picture and sound reproducing machine, leaves very few outlets for the showing of any picture that is not essentially entertaining. The perfection of the talking motion picture is a new and determining factor in the relegation to the past of the use of the motion-picture screen as a medium for advertising.

18. *Radio advertising.*—With the advent of radio, a new advertising medium came into existence. It is advertising that "reaches the ear," a glorification of the broadcasting of the Romans, the first people in history to work out a system of mass communication. These ancients utilized the services of a professional announcer, called a stentor, as their medium for acquainting large groups of people with first-hand information. The National Broadcasting Company

calls broadcast advertising "the fourth dimension of advertising," and looks upon the new medium as supplementing and emphasizing the value and scope of other media.

REVIEW

Define the term advertising medium, and name the five principal classes of media.

Explain why and when newspapers may be more advantageous media than national magazines.

Discuss the relative advantages of farm papers for use in reaching the rural population.

Outline the advantages of direct advertising media.

Compare the various types of signs as advertising media.

CHAPTER VIII

HOW TO BUY ADVERTISING

1. *Circulation and prestige.*—The worth of any advertising medium as a vehicle for the advertising message is judged by two main considerations: (a) the extent of its circulation (volume), and (b) its character and influence (quality). This is especially true of newspapers and magazines, and to only a lesser degree of other forms of advertising media.

Mere volume is not an assurance that the medium will prove profitable for display of the advertiser's goods, any more than a shop window before which 50,000 people pass every twenty-four hours can be said to be more valuable than one before which 25,000 people pass. The 50,000 crowd may contain 40,000 factory hands or mill workers who would be neither interested in, nor have the wherewithal to purchase, the goods displayed. That would leave a margin of 10,000 potential purchasers. On the other hand, the 25,000 passing by the second window might include 20,000 women shoppers and business men whose interest is backed by the ability to buy the goods displayed.

Therefore, in considering an advertising medium, there is another and more important angle than that

of the number of people who buy it. Consider also who they are, and why and how they buy it. Do they buy it on the news stands, or are most of the readers subscribers? Regular subscribers lend solidarity to a magazine's influence. On the other hand, many persons buy a magazine regularly from news stands, and it is an obvious conclusion that they buy it because they want it, week after week, or month after month. How the readers buy a magazine is not so important as who and how many they are, and *why* they buy it. Most magazines can show an analysis of their circulations, the kinds of people who buy them, where they live, their sex, and their business or professional pursuits.

2. *Aiming at the possible purchaser.*—It has been said by advertising men that "the *public* buys nothing," which means that advertising is a mass appeal directed at the public generally, but hitting only those who are interested and who are in the market to buy. Individuals cannot be appealed to separately except through direct advertising. The group alone can be considered, and, before directing selling messages to that group, it is necessary for the advertiser to have in mind the typical member of the group. Certain questions are to be asked in establishing the characteristics of the typical purchaser, and in the answers to those questions the advertiser often finds that certain media are naturally eliminated from the campaign, while others naturally present themselves as worthy of consideration.

We often hear the statement that the advertiser should address his message to the typical purchaser. This is not always possible, since the purchaser of a product may have been influenced by someone else. Life insurance companies, in their advertising, have reached the men through messages directed to the wives. The manufacturers of washing machines and vacuum cleaners, whose products are bought by women, have subtly played upon the sensibilities of the husband by picturing the drudgery of housework. In the final analysis, it is probable that the woman's wishes dominate in the choice of the new radio receiver, player piano, or piano. These articles are advertised extensively, therefore, in women's publications, as well as in publications of general appeal to both men and women.

For the purpose of the advertiser, the typical purchaser is the one who induces the purchase of a commodity, no matter whether he or someone else actually furnishes the money to buy it.

3. *Local and national media.*—An express train that whizzes by local stops will give the passenger a good ride for his money, but it will be of no practical use if his destination is a local station. Before selecting the media that we are to use as a part of our campaign, we must first consider the nature of the market in which we expect to sell our goods.

If it is local, we shall probably select newspapers, direct mail, and the various kinds of signs. On the other hand, if it is national, and the size of our ap-

propriation permits it, we shall probably add magazines to the list. As was pointed out earlier in this volume, there was a time when innumerable products were sold within a restricted area, and demand for them was stimulated by local advertising. Then, step by step, distribution was increased until national media were employed profitably.

An interesting instance is that of the fishing industry of New England. Thanks to the perfection of packing methods, fresh fish and other sea foods are sent by parcel post to far distant points, within a few hours after leaving the water. Publications of national circulation are profitably used to acquaint the people living at points far distant from the Atlantic seaboard that these food products are available, fresh, and palatable.

4. *Occupation of readers.*—Not only must the advertiser know how many readers a medium has, and where they are located, but he must know how intelligent they are, and how much purchasing power they have. Where an occupational analysis of circulation is available, it will come very close to serving as a guide both as to intelligence and purchasing power of the readers. If the product is one that makes its appeal to creature comforts, such as a food product, clothing, medicine, etc., then the advertiser need not be concerned so much with the degree of intelligence of the readers as with whether the occupational analysis indicates that they have the wherewithal to buy. But should his product or service be of such a nature

as to appeal to a more highly cultured class, such as books, music, *objets d'art,* etc., then he must sift the circulation and eliminate those who are not likely to be interested. Out of 50,000 readers of a magazine, there might be a 100 per cent representation of prospects for oil stoves, linoleum, cereals, etc., but only a 30 per cent representation of logical buyers for garage heaters, jewelry, books, garden tools, etc., and only a 5 per cent representation to which he could attempt to sell parquet flooring, bronze railings, or greenhouses.

5. *Weighing circulation.*—The worth of any advertising medium depends upon how much it will cost an advertiser to reach possible purchasers through that medium, and what its standing is in the minds of purchasers.

To begin with, it should be noted that cost *per reader* and cost *per possible purchaser* are two very different propositions. It is a very simple matter to arrive at the cost per reader, by dividing the advertising rate for the unit of space by the circulation. A page rate of $500, divided by a proved circulation of 100,000, would give a cost of half a cent a page for each reader of the periodical. But such optimistic figuring cannot be used. Not every reader of the 100,000 will see the advertisement, nor will every reader who does see the advertisement be necessarily a possible purchaser for the goods advertised. Each advertiser must decide how much it will cost him, and how much he can afford to pay, to reach every pos-

sible purchaser to whom a medium may appeal. Just as he would figure his distribution costs per unit, so must he figure the extent to which he can spend money to influence sales by advertising.

Some years ago, advertisers and advertising agents opened their copies of *The Saturday Evening Post* with a gasp of surprise at seeing large space used to advertise a leather belting. "How can advertising in the *Post,* with its rate (at that time, $98 per inch) pay the manufacturer of this belting?" was the thought that ran through their minds. They continued to wonder until the manufacturer of the belting told his story. It seems that he had been advertising for many years in the trade journals that reached the factory executives who purchased belting. While rates in the trade papers were very low in comparison with *Post* rates, and while these trade papers reached the men this manufacturer was after, he decided upon what was then considered a radical departure in advertising practice. He put his advertising in the medium that reached these same executives in their homes and clubs, at a time when they were relieved of business cares, and were consequently in a more receptive frame of mind. The proof of the pudding is usually several hours after the eating. Within six months the *Post* was carrying the advertising of four other manufacturers of leather belting.

6. *Duplication of circulation.*—Strictly speaking, duplication of circulation simply means overlapping

of a medium's circulation by that of another medium. In other words, if an advertiser buys space in "A," a monthly magazine, and in "B," another monthly magazine, he may feel reasonably sure that a proportion of the readers of "A" also see "B," and vice versa.

Few things in advertising are so often misrepresented or so often misunderstood as the subject of duplication. One should never be misled by "duplication" figures into the belief that duplication is waste effort, for duplication (or call it by its right name, repetition) is the lifeblood of advertising. You "duplicate" a magazine's circulation to the maximum when you advertise in every issue of that magazine. No doubt there will always be controversy as to whether the wide market will produce more sales than the narrow market, when the latter is more intensively cultivated. It is excellent advertising practice to reach likely purchasers as often as possible with an advertising message. Therefore, it would seem that duplication is as much an asset as a liability.

Whether or not the advertiser accepts the theory, he does want to know, when he orders space in a medium, how much of its circulation is duplicated by other media. The experience of the *Literary Digest* in circulation building indicates the following:

(a) Even where magazines employ the same sales force or have common editorial or business management, *no periodical duplicates any other by more than 50 per cent.*

(b) Periodicals operating in the same field and published by separate companies rarely duplicate more than 25 per cent.
(c) One weekly duplicates another weekly less than a weekly duplicates a monthly.

Duplication of circulation is heaviest among evening newspapers in large cities. For, while a man or woman will buy, as a rule, one morning paper, a large number buy two or more evening papers.

7. *Rates.*—Newspaper advertising rates are based upon so much per thousand circulation. However, the rate varies with the class of the publication and its readers. For instance, a foreign language newspaper in a large city might have a circulation of 175,000, and yet offer a lower rate than a newspaper printed in English in the same city, with a circulation of but 75,000.

Some newspapers have as many as three rates, charging one to national advertisers (known in the newspaper field as "foreign or national advertisers"), another to local or retail advertisers, and another to department stores. In rare cases, the national rate is lower than the local rate; in most cases, it is appreciably higher. Most papers differentiate between local and foreign advertising solely upon the basis of the address appearing in the advertising. For instance, a New York manufacturer of men's clothing advertising in a Hartford newspaper over his New York address, or with no address appearing, would be charged the "foreign rate." But should the

advertisement conclude by saying, "For sale at—," and give a local address, the advertiser would be allowed the local rate. Local addresses of branches, however, usually take foreign rates in most papers. On the other hand, instances might be cited of concerns advertising nationally, with headquarters in New York City, that are obliged to pay foreign rates when advertising in New York City newspapers.

There are various types of contracts offered advertisers for obtaining discounts from the regular or "one time" rates of the newspapers. These are generally divided into two classes: (a) contracts for space, and (b) contracts for time. In the former, the advertiser agrees to use a specified number of agate lines or amount of space in the newspaper within a given period, usually a year. In the latter, the advertiser agrees to run his advertising so many times—once, twice, or three times a week—for a specified period, or a specific number of insertions within the year. Some papers give an additional discount for receiving as much space within the month as any other paper in the same field in the same city. This is known as the "full-copy discount."

It is not generally necessary for the advertiser to use his full space every time he inserts an advertisement, in order to gain these discounts. Most papers accept the insertion of what are known as "rate holders"—one-inch advertisements on the scheduled dates of the contract. In other words, if an adver-

tiser has contracted to run his advertisement three times a week for a year, he may run two large advertisements and one "rate holder" every week to hold the rate. The size of "rate holders" varies with the different papers, and the one-inch advertisement is generally the minimum. It is well to note that "rate holders" seldom enjoy special positions, but are inserted "run of paper," at the publisher's option.

Magazine space is based upon the rate per thousand readers, much the same as newspaper space, but it is naturally much more costly, as the magazine sells a different type of circulation. The life of a magazine advertisement is longer than that of a newspaper advertisement, the reader interest is higher for a longer period in magazines than in newspapers, and it is generally conceded that only the buyer of a newspaper may be counted upon to see the advertisements, while many people can be counted upon to read every issue of a magazine sold. Practically all magazine space is sold at the same price per line regardless of the total amount of space used within a year. This is known as a "flat rate." Nearly all agricultural publications sell space on the flat-rate basis. Trade and technical publications and some "class" publications are still inclined to use the sliding scale described for newspapers, and in this field the rates vary more than in any other. Most of the space, however, is sold on the basis of so many insertions per year, with a standard-size space for the life of the contract.

8. *Preferred positions.*—Nearly all newspapers sell specified positions at an advance of from 5 per cent to 250 per cent over the regular run-of-paper rates. Few magazines sell positions other than second, third, or fourth covers. Covers are usually printed in colors and cost anywhere from 50 per cent to 100 per cent more than black and white. Some positions, however, are sold only on a twelve-time basis, and this is considered as a premium, as, for example, first right-hand page, or page facing editorial page. A magazine will have all its advertising pages grouped in a section following the reading pages, or both preceding and following the reading pages. Many of the weekly and monthly magazines are now made up so that advertising, other than page advertisements, appears on a reading page. Usually there is a column of reading matter and two columns of advertising on one of two facing pages. Sometimes there are two columns of reading matter and one column of advertising to a page, and, if it be a four-column page, there may be two columns of reading matter with one column of advertising on either side.

Some newspapers sell specified positions on a page, as well as selling specified pages. Many small-town newspapers sell advertising on the first page, but advertising is rarely seen on the first page of a big city newspaper, excepting the small "readers" at the bottom of the column, printed in the same type as the rest of the reading page, or smaller.

A one-position advertisement is next to reading matter, a two-position advertisement is next to and following reading. The most costly positions are top or bottom of column, with reading matter on three sides.

The popular page positions in newspapers are pages two and three, the page opposite the editorial page, or the sporting, woman's, society, financial, and last pages.

9. *Prestige.*—Prestige is the influence an advertising medium has on its readers. *Vogue* and *Harper's Bazaar,* for instance, may have a vast influence on women interested in correct fashions, and have greater influence on ladies' tailors and modistes.

There is no formula by which one may measure prestige in so far as it concerns direct mail or signs. True, a letter sent by first-class mail may carry greater prestige than one sent by third-class mail, and a dignified letterhead reflects more prestige than a glaring one, but an advertiser can decide upon which of the many variables to adopt only after he has learned about the experiences of others and used his own best judgment.

Signs are enjoying greater prestige today than when they were pasted or painted anywhere and everywhere. With the standardization of billboards came improvement in character and an increase in their value as advertising media.

In considering the prestige of newspapers and periodicals, an advertiser must assume a coldly im-

partial attitude. An advertising representative of a New York paper of unquestioned leadership in the quality of circulation desirable for high-class hotels had an interesting experience. He presented his appeal for advertising to the manager of a leading resort hotel, a presentation made easy by the impressive and unquestioned circulation of his paper. The manager indicated throughout the presentation that he did not intend to advertise. Finally, when the young advertising man had finished, the manager said, "You're a good salesman."

"No," said the representative, "I'm afraid I'm a rotten salesman. If I were a good one, I don't see how I could go out of here without your order."

Then the manager explained: "I have an appropriation that permits me to do just so much advertising. It is running in the (naming a paper with a far smaller circulation). I know that paper is not as effective a medium as yours. But years ago I was young in the hotel business. I had my first house to manage and the prospects for the season looked dismal. That paper took my advertising and they were as kind and helpful as they could be to a struggling young hotel manager. They gave my house publicity that I had no reason to expect, and because of that publicity my first season as a manager was a good one. That gave me my start. Without that paper's help, my first season might have been a fizzle —and I don't know what I might be doing now. So if at any time I can advertise in only one paper,

the one that helped me when I needed help will carry the advertising."

We cannot help liking the veteran manager who never forgot his debt of gratitude, but we must recognize him as an exceptional case.

Unfortunately, many advertisers are, for no particular reason, guilty of bias in favor of, or in opposition to, certain newspapers and magazines, guided largely by their personal likes and dislikes. On the other hand, many an advertiser is open-minded enough to recognize that a newspaper which he might consider too "yellow" or sensational to read himself, or to take into his home, offers an excellent advertising medium for his business. The dollar of the proletariat is just as good as the dollar of the "upper crust," and one will often find advertising of the most exclusive retail houses and manufacturers in the columns of the most sensational metropolitan dailies. It is the "common people" who keep the wheels of industry turning.

Of late years, the censoring of advertisements has come to be practiced with ever-increasing rigidity. Of this censorship there are two phases. One is the exclusion of advertisements that might offend portions of the readers, as, for example, medical and tobacco advertising. The other is the tendency to protect readers against loss by barring dishonest advertisements. In the campaign against dishonesty in advertising, one of the first things publishers did was to exclude patent medicine advertising that made

exaggerated claims. Many publications now exclude all advertising of patent medicines, regardless of their wording.

A few years ago, publications would accept any kind of an advertisement. Today, however, not all the advertisements submitted for publication are accepted by the publishers. As a matter of fact, some publishers go so far as to guarantee the truth of every advertisement appearing in their columns. One women's publication has laboratory tests made of a product before it will permit the product to be advertised in its columns.

In judging the prestige enjoyed by a publication, an advertiser should consider its editorial, advertising, and circulation policies. It is too much to expect the reader of a publication to put much faith in its advertisement unless its editorial policy is such that he can believe what he sees in the reading columns. Readers will not have confidence in a publication, nor in the advertising it carries, if it is given to constant exaggeration. Since an advertiser cannot run the risk of having his advertising discounted, it behooves him to select those media that enjoy an excellent reputation because of their editorial policy of prohibiting exaggerated statements. Such publications will have built up a body of readers who believe in them and in what they say.

The next consideration will be the advertising policies of the publication. Editorial policies give the advertiser an index to the character of the people who

read the medium, and the amount of influence the medium is likely to have with them. Circulation policies give him a picture of the general popularity of the medium. Still more important are the advertising policies of the media under consideration.

The final consideration of the advertiser, when measuring the prestige of a publication, is the manner in which its circulation is obtained. An advertiser is entitled to know the quality and quantity of circulation he is paying for when he buys space in a publication. He need not take the publisher's word for these things; other sources of information are available through the machinery of the Audit Bureau of Circulations. This is a coöperative organization supported, in part by membership dues of advertisers and advertising agents, but largely by publishers who pay on the basis of the amount of circulation they have. The Bureau sends out, twice a year, trained men who audit the books of each publisher member, following which it issues a report showing the exact circulation, how and where distributed, by what methods secured, and other valuable data. The advertiser uses these reports to provide him with an intimate picture of the circulation policies of the publications under consideration.

10. *Morning and evening papers.*—The publishers of morning and evening papers set up competing claims for their publications. The fact remains, however, that less advertising is carried in the morning papers, as a group, than in the evening papers. This

does not mean that morning papers are a poor advertising medium. In actual work, media are not selected as a group—morning or evening papers, for example—but are chosen individually. An advertiser would be extremely shortsighted who would decide upon using only morning or evening papers, before he had considered the readers of the two types and their preferences. Both are good advertising media, and each has its desirable points.

Many advertising men who contend that only propositions appealing to men rightfully belong in the morning paper, because the man reads it on his way to business, will reverse their decision when called upon to select media for making an appeal to the leisure class of women. They will then recommend morning papers on the assumption that milady reads it as she breakfasts in bed, and that her evenings are so filled with social obligations that she has no time to peruse the evening editions.

11. *Weekly and monthly magazines.*—As in the case of morning and evening newspapers, there are arguments both for and against the weekly magazine as compared with the monthly. The publisher of the weekly advances the argument of rapidity, contending that the monthly cannot carry the advertiser's message so quickly, to so many people, as can the weekly. Furthermore, the weekly permits the advertiser to send his messages four times as frequently, during a month, as the monthly, which speaks for him but once during that period. A

weekly magazine, it is quite evident, paves the way for a quicker response to advertising than a monthly. On the other hand, a monthly has a longer life in the home. The weekly gives the advertiser more opportunity to make his advertising a timely tie-up with holidays or special occasions. Advertisements can be made timely in monthlies, to some extent, by knowing the date on which the publication is to be offered for sale.

Both the weekly and the monthly have distinctive features to offer the national advertiser, and as stated of newspapers, neither one nor the other is a good or bad advertising medium, merely because of the time interval at which it is issued.

The advertiser must study the fitness of both the weekly and the monthly, to obtain the results he desires from his advertising, and employ either or both judiciously, as far as his advertising appropriation will permit.

REVIEW

State the two main considerations in judging an advertising medium.

Explain the term, typical purchaser, from the advertiser's viewpoint.

Discuss duplication of circulation.

Describe the methods of quoting rates in newspapers; in magazines.

State and discuss the three factors which primarily determine the prestige of a medium.

CHAPTER IX

THE CAMPAIGN PLAN

1. *Planning every step.*—It costs far less to avoid advertising errors than it does to rectify them. An advertising campaign is something that can easily go wrong, and everything should be done that will prevent mistakes in the how, where, and when of the advertising journey.

In the early days of advertising, there were few preliminary investigations before campaigns were launched. It was a case of buying as much space in as many newspapers or magazines as the appropriation would permit, preparing a few advertising messages, ordering their insertion, and hoping for results. Even today, injudicious and wasteful methods of advertising are not unknown. Concerns have conducted newspaper campaigns to sell electric appliances in towns not equipped with electric light and power.

A certain American manufacturer of portable houses learned to his sorrow the importance of a thorough preliminary investigation. Soon after the World War, he spent months in planning a campaign to sell his houses in France, where large devastated areas had to be rebuilt. His costs were estimated,

sales literature translated into French, freight and insurance rates ascertained, and a suitable appropriation set aside. Then two investigators, while waiting on the New York pier to embark for Bordeaux, chanced to meet a French military engineer who was on his way home. In their conversation with him they were both surprised and pained to learn that all the building requirements and insurance laws of France would have to be changed by legislative acts before wooden buildings, portable or otherwise, could be erected, except for military purposes. Any number of people in the United States, from the French Consul down, could have given the information and saved the manufacturer much time, labor, and expense.

2. *Preparing the complete campaign at one time.* —Why prepare a complete campaign at one time? There are three substantial reasons. First, money and time are saved and duplication is eliminated. Second, unless the campaign is considered in its entirety, one or more vital elements are likely to be overlooked. Third, an advertising campaign usually includes the preparation of dealer material, as well as material for the advertiser's use in working on the consumer, and, once the campaign is put in motion, it is important that there be no lapses in the steady flow of messages from manufacturer to dealer, manufacturer to consumer, or dealer to consumer.

All of this is but applying the principle that those who are to be aided by advertising ought to know in

advance just how and why they are to be aided. There are few things as irritating as the discovery that someone else knows as much or more about some part of a house's policy than its accredited representatives. Even the dealer resents being left in the dark. Some years ago a periodical obtained a series of stories by a very popular writer. The appearance of the stories was widely heralded by advertising. In the number preceding the appearance of the first story, a coupon was attached, stating that any news dealer would supply the bearer of the coupon with one copy of the magazine.

A presentation of the coupon to one dealer brought forth the magazine, and it also brought forth a tirade against it. The dealer said, "I've had a couple of dozen of these coupons come in today. I'm giving out the magazines because I suppose the house will back up its advertising, and I don't want to crab about it to customers. But those people never said a word to me about their coupon plan, and I'll probably run short for a lot of regular customers. If I had known about it, I'd have stocked more for this week. They ought to have urged me to stock more, anyway—and if there's any fuss about redeeming these coupons, that magazine will get chucked off my stand."

Note the want of coördination all the way around. The dealer knew nothing of the coupon plan, or he would have stocked up; the circulation department should have urged him to stock up. Result—a dis-

satisfied dealer, ready to pick a quarrel with the house on any provocation.

3. *The time required.*—The most experienced advertising man cannot determine exactly how long it will take for a campaign to produce results. The advertising man uses precedent as a guide quite as much as the physician and, like the physician, he knows that no two cases are identical. Individual advertising problems call for individual handling.

One manufacturer may break into a market with a thirteen weeks' local newspaper campaign that unloads stocks from the dealers' shelves fast enough to bring reorders. Then he may move on to new territory with a similar campaign, merely running "reminder" advertising in his first territory to keep the goods moving. Another advertiser may require thirteen months of consistent advertising before he obtains satisfactory results.

Very much depends upon what the advertiser has to do. Advertiser A, for instance, makes an article that retails at ten cents. It is new and attractive. There is a general use for it. After his distribution has been effected in a given territory, he launches a thirteen weeks' local newspaper advertising campaign. Response is brisk. The article moves quickly; the dealers recognize that it is a quick repeater, and reorder. Then A moves on to new fields. B makes a twenty-five-cent article. It is not new, but it is an improvement over the one sold for ten cents. B's campaign is different from A's in

that he is not only selling the article, but has to justify the higher price. He has to change buying habits, and it is over a year before his campaign produces the result desired.

After the research department has completed its work of investigating the market, the amount of competition, and other factors that furnish the data on which the actual campaign is to be based, the planning of the campaign is undertaken. This may include any or all of the kinds of advertising that go to make up the campaign. Dealer helps, direct mail, signs, posters, trade-paper advertising, and consumer advertising should each be based on ascertained knowledge—not on guesswork. While the planning proceeds, the space buyer is contracting for space in the media to be used, and is preparing schedules covering the number of insertions, and the sizes of the space advertisements. Behind all the planning and space buying, however, stands the appropriation.

4. *Illustrations.*—An old Chinese proverb says that "one picture is worth 10,000 words." The use of illustration in advertising is so general and so important that very few advertisements depend solely on the printed word to convey their message. It is, therefore, essential, in making an appropriation for advertising, that the amount necessary for art and mechanical work be given careful consideration. This figure covers typesetting, drawings, engravings, electrotypes, matrices, proofs, and sometimes printed matter. It is difficult to give a definite figure as to

how much should be spent for this, because it varies considerably with each campaign. If the campaign requires only a limited number of advertisements with few illustrations, then the cost will be comparatively small. On the other hand, if the campaign requires many pieces of copy and a large number of drawings or paintings, the cost naturally is increased. Normally, however, it is safe to say that the average will run between five and ten per cent of the amount spent for space. A campaign to advertise perfumery or silk underwear would use a greater proportion of illustration than text, and require a correspondingly larger appropriation for art. If a high percentage of advertisements is to appear in color, the preparation costs may run to 20 per cent or higher.

Will advertisements consist largely of art? If the product is a luxury or one that appeals to the sense of taste or smell, such as a food product or a perfume, illustration will be primary, text secondary. If the article is one that requires a large amount of explanatory text, such as a mechanical contrivance, more space must be allotted to text than to illustration. These rules are not inflexible, or without exception, but the general rule is to cut down the text whenever illustration can be used to tell the story.

5. *Selecting the artist.*—The selection of the artist or artists is of great importance. Many commercial artists of today are enjoying the knowledge that their work has been a prominent factor in the success of advertising campaigns. Many of these men and

women are specialists. One may be the leader of his craft in fine lettering, borders, and decorative designs; another specializes on silks and textiles; others excel in fashion illustrations.

It is poor economy to engage an artist merely because his prices are low. It is far better policy to buy one or two good illustrations from a good artist at $1,000 each and repeat them often, than to buy a dozen or more at $100 each from a mediocre artist, merely for the sake of frequent change of illustration.

6. *The mechanics of illustration.*—Next to motion, color is the strongest attraction to the eye. The great strides made in the development of three-color and four-color process printing now make possible the presentation, in a faithful reproduction, of practically everything that may be illustrated. Some of this work is done by direct color photography, some by reproduction of oil paintings, some from water color originals, and some by reproducing hand-colored photographs.

The tempting appearance of good products, the sheen of silk, the gleam of jewels, the soft texture of furs and velvets, and an infinite variety of other materials are all caught by the camera and put before the reader in such a natural manner as to be the very next best approach to showing the articles themselves. While color originals and reproductions run into big money, there is no question as to their value in gaining attention and whetting the desire to buy.

But the advertiser who cannot afford color display

is by no means seriously handicapped. Black and white illustrations, in the hands of competent artists, can be made an effective means of arresting the attention.

The mechanics of illustration must be thoroughly threshed out, both because it is good economy, and because printing requirements demand it.

If the illustrations are made in line, to be reproduced by zinc engravings, economy is effected in the initial outlay as well as in the duplicate material. Line engravings print better in all newspapers, but especially so in those of the smaller towns that lack the equipment of the large city papers. Then, too, if a large list of papers is to be employed in the campaign, one set of master plates of the complete advertisement is all that is necessary. From this set of master plates, matrices are made and sent out to every paper on the list. The saving in postage effected by mailing matrices, made of a light-weight paper pulp composition, instead of heavy metal electrotypes, is a considerable item. There are companies that assume the entire responsibility of mailing out to papers, on schedule time, the copy for the entire newspaper campaigns, in matrix form. All that they require is one set of master plates, a list of the papers, and a schedule of insertion dates. It must be remembered, however, that the use of matrices is unsatisfactory when illustrations are an important factor.

Even if the illustrations are in half-tone, matrices may be used, though never with the same satisfac-

tory printing results obtained from line engravings. For magazine advertising, half-tone illustrations are the general rule, although many advertisers produce excellent and attractive effects by using line illustrations. Magazine paper stock, with very few exceptions, lends itself to the printing of good half-tones. All magazines and newspapers publish, on their rate cards, details of their mechanical requirements, such as size of page, its subdivisions, column widths, whether or not they can print half-tones, and a recommendation as to the type of half-tone screen best suited.

7. *Copy.*—The word, "copy," is generally used colloquially to indicate only the text of the advertisement. Strictly speaking, copy is the entire advertisement—the illustration plus the text. We see and feel a discordant note when illustration and text are mismated. The tendency, in such cases, is for the reader's thoughts to be conducted along one channel by the illustration and to be diverted on a tangent by the text. People often ask, "Which is done first, copy or illustration?" They are not separate entities, and should not be conceived separately. An advertisement must be born *as a whole.*

How many appeals will be featured? If an article has a great number of "talking points," it is not good practice to attempt to cover all of them in a single advertisement. It is better to feature one point at a time and elaborate upon that. Some of the other points may be mentioned, but they should be subor-

dinated to the main theme. Bon Ami will stress its virtue as a window cleaner in one advertisement, and mention a half dozen or so other uses for it. The next advertisement will feature Bon Ami as a metal polisher, and window cleaning will be subordinated.

How many classes of people will be appealed to? This deserves careful analysis. The advertiser must exercise the greatest care in the preparation of his message so as not to talk over the heads of his prospective customers.

While it is estimated that women do 95 per cent of the buying for the home, yet a large part of their buying is done after consultation with the men of the family. Of course, the exceptions to this are products of an intimate feminine nature, such as corsets, underwear, and perfumes. On the other hand, many manufacturers of articles for men, especially if the article is at all adapted for gift purposes, devote a liberal portion of their appeal to women.

There are few commodities that are purchased only by men, or only by women, or only by children. There are also a few that are purchased only by the rich, the middle class, or the poor. The advertiser's problem is to discover which of these classes will buy most of his goods, and then adopt the style of copy that seems best calculated to impress his main audience, while also interesting the other classes.

Still another question is this: Is the purchase made by young, middle-aged, or old people? Remember that, in advertising, the manufacturer is making his

sales presentation. It is reasonable to assume that an appeal to the man or woman of sixty is hardly fitting for the youth or miss of twenty.

The advertiser is fortunate who is able to divide and subdivide the people in his market until he has an exact picture of the typical group to which he wishes to talk. Perhaps he is selling only to professional men, or only to clerks, or only to skilled mechanics. Perhaps his product appeals only to mothers, perhaps only to society women. A woman may be a mother and still be a society woman. The advertiser must decide to which side of a woman's nature he is to appeal, and phrase his text and make his illustrations accordingly.

8. *Media.*—At the outset of a study of media, the advertiser should clearly understand that *all media are good for some purpose.* They are not all good for all purposes or for all advertisers, but each one, for some particular purpose and in some particular way, can perform a useful service for some advertiser. The problem of the advertiser is, first, to find out what purpose he wants to achieve—what people he wants to reach, what he wants them to do, how his product can best be made to appeal to them, how they live, earn, spend and play—and then to pick out, after unprejudiced consideration of all media, the ones that can best carry *his* message about *his* product to *his* market. The problem is individual for each advertiser.

Is the product of such a nature that the consumer

buys but once in a lifetime, or is it one that he will buy once a year, once a month, or once a week? Is it a fad or a novelty? It not infrequently costs more than the selling price to gain the confidence of a customer. In most businesses, moreover, the profit is in the reorder.

The business which will have a new market of already convinced customers every month may need a different advertising policy from the one that must wait a year for repeat orders. If a product is repetitive and distribution is general, posters and car cards may be used in conjunction with a modest campaign of "reminder" copy in newspapers and magazines.

Suppose our product is a patent lawn mower. It is in the "seasonal" class (no fall or winter demand in northern climates) and a one-time seller. Our ultimate market is not in the cities but in the suburban and country sections. For the introduction to the market, posters on stations and in cars or suburban lines will meet the eyes of the greatest number of prospective purchasers. As distribution increases, as the product is more and more stocked by local department and hardware stores, the local newspapers and the magazines read largely in suburban communities may be employed with reasonable expectation of response in sales. The logic of this is apparent, when one considers the procedure reversed. For example, were the lawn mower to be advertised first in the newspapers, and a demand created that

could not be met by local distribution, there would be a tremendous waste of advertising effort.

The successful advertiser or his agent selects media coldly and impartially. He is not blinded to the merits of one publication because it shows a lower circulation report than another. He may wish to reach a certain class of readers. A magazine of 60,000 circulation, which, on an analysis of circulation, can show him 25,000 in the class he wishes to reach, is a better buy for him than the magazine of 100,000 circulation, with only 15,000 of his class of prospects.

In making up a list of media, therefore, the advertiser should consider the location of the readers and their buying habits as related to the article to be advertised, and select those media that will reach the greatest number of logical prospects.

9. *Space.*—The important question of space in an advertising campaign is regulated by the size of the appropriation. A parallel may be drawn between the advertiser and a hungry man. If the hungry man has a limited amount to spend for a meal, he will not select a high-priced, fancy dish that pleases his palate but leaves him hungry. He will buy as much satisfying food as he can and pass up the desserts. Generally, the advertiser must content himself with small space, judiciously used for the cumulative effect, and forego the temptation to plunge with one or two insertions in big space.

A new product, or a new campaign for a previously advertised product, will generally employ the heavy

artillery of big space to open the campaign, decreasing the space as the campaign runs on so as to provide for its continuance over the period selected for it to run. Sometimes this procedure is varied by the use of large copy twice a year, especially if the product is a two-season proposition. An impression that large space is being used can often be given by alternating large with small insertions.

Will classified or display advertising be used? An advertiser, even though his product naturally falls under a classification, will benefit by departing at times from the classified page and pulling his announcements out into the open of run-of-paper or display advertising. For example, most newspapers have a shipping page. Under this head are grouped all of the transatlantic and coastwise lines. This page is turned to only by those who contemplate a voyage or who ship goods by steamer. There are three advantages, therefore, to the advertiser who pulls his advertisement off this page and pays the display rates for the other advertising pages. First, he escapes the competition of the other steamship lines advertising on the shipping page; second, his announcement reaches thousands who seldom or never see the shipping page; third, he temporarily, at least, throws off the yoke of certain mechanical restrictions that in the great majority of newspapers hold classified advertising down to prescribed limits for display.

Certain magazines of general circulation run a

few pages of classified advertising with each issue. These are a good investment for the advertiser with an extremely limited appropriation, because he buys the entire circulation of the magazine at a much lower rate than if he went into the regular advertising section. One frequently finds, in these classified departments, small advertisements of concerns that are using big space elsewhere in the publication. Some of these small advertisements are tests used to try out "the pulling power" of the magazine in specific fields for certain products.

White space is a precious item in advertising display. Its power, of course, depends upon the skill and experience exercised in its use. It can be wasted, or it can be so judiciously employed as literally to compel the reader's attention to a small advertisement. To quote W. Livingston Larned, one of the best-known authorities on advertising art and display:

> It is as necessary as ever to believe in the efficacy of white space. Time can never change this rule, nor dull its potent power to attract. It spreads a cool lawn for the advertising house, it holds off your competitors, it is the logical setting for the gem. The advertiser who packs his space to the brim with material is simply merging it into everything on four sides, and thus deliberately assisting in a loss of identity. White space gives CHARACTER.

REVIEW

Explain why an entire advertising campaign should be planned at one time and in detail before it is launched.

Describe the circumstances under which (a) illustration or (b) text will be of primary importance in the copy.

What percentage of the total appropriation for space should usually be spent for art work?

State some of the considerations to be borne in mind when deciding upon the appeal to be used in an advertisement, when choosing the media.

Discuss the relative advantages of using different kinds of space and position.

CHAPTER X

NEWSPAPERS AND MAGAZINES

1. *Place of publications in the campaign.*—Many people do not know that the 2, 3, or 5 cents that they pay for a newspaper does not begin to cover the cost of producing it. The publishers' profits lie in the sale of advertising space. The same statement is true of magazines. One popular weekly, which is sold to the wholesale distributor for 3½ cents per copy and retails at 5 cents, actually costs the publishers approximately 32 cents to produce.

In preceding chapters, we discussed briefly the various types of advertising media. In this chapter, we propose to consider the manner in which some of these media may be used as a part of an advertising campaign.

At various times, there has been a certain amount of argument between newspapers and periodicals as to which is the more profitable medium. This debate is unnecessary, since these media are not necessarily competitive. In most instances they are complementary.

Advertising in newspapers and periodicals has been found to be the best method of blanketing a market, that is, launching a certain number of ad-

vertising messages in an effort to reach a certain number of possible purchasers, in a given territory, within a given period of time. It is because of these advantages that the bulk of all advertising is done in these media.

Newspaper advertising may be classified into three groups. The largest is that of local retail establishments; second, classified advertising; and third, that of national advertisers, which is known in the newspaper field as national advertising, formerly called "foreign."

2. *Local retail advertising.*—Retail advertising differs from that done by manufacturers in that the latter's advertising endeavors to create a demand for a product, while the retailer's advertising tells the public that they can buy the merchandise they want at his establishment.

The small town retailer, advertising in a small town newspaper, is addressing an audience that knows him and his store. As a rule, neither his store nor his advertising is facing much competition. He is not ordinarily compelled to do more in his advertising than to enumerate his wares and their prices. A large part of the readers are already his customers. In the larger cities, where competition is keener, both in the number of stores and in advertising, the retailer must sell his store as an institution, as well as sell its wares through newspaper advertising. The bulk of advertising space in the newspapers of the larger cities is used by the department stores, which

frequently take page and double-page spreads several times weekly. The stores are able to determine immediately how productive an advertisement has been by the volume of merchandise sold.

3. *Classified advertising.*—By classified advertising is meant the use of small advertisements, usually set in small type, and run under a classified heading. These advertisements are generally local in character—help wanted, positions wanted, rooms and apartments for rent, lost and found articles, etc. Some national advertisers, however, have used classified advertisements effectively. The fact that the "Want Ad" columns are carefully read by certain groups of people results in an assured audience for the manufacturer who puts his advertising message in those columns even though the audience may not always be a large one.

There is a further division of classified advertising in newspapers published in the larger cities. It is called "classified display," and calls for special rates. An example of such a classification is the display real estate advertising run in a special real estate section, segregated from the rest of the sections. It is one of the most widely used sections, and the most remunerative, both to publisher and advertiser. It accepts display advertisements of any size, above a minimum of one or two inches.

4. *National advertising.*—National advertising is that placed by concerns outside of the city in which the paper is published and circulated, although, as

pointed out previously, some national advertisers are obliged to pay the foreign or national rate in newspapers even though these papers are published in the city in which the headquarters of the company are located. Every year finds more national advertisers employing newspapers to supplement the other forms of media they are using. Some large advertisers spend the biggest part of their appropriations in newspapers.

To the national advertiser, newspapers offer many advantages, the chief one of which is making it possible for him to concentrate his activities in a particular territory or section.

5. *The local drive.*—In contrast to nation-wide selling, many manufacturers have successfully promoted concentrated drives in individual centers. Many manufacturers have been led astray by visions of "national prestige." In advertising, they have so placed their copy as to separate it from their sales work. But manufacturers are coming more and more to recognize, in their advertising as well as in their sales work, that local jobbers and local retailers stand between them and the residents of each locality. They have come to realize, too, the fallacy of the idea of "forcing" distribution by advertising. The theory was that the advertising should arouse such enthusiasm among readers that they would "demand" the product from retailers. The retailer, having "demands" from so many of his customers, would in turn "demand" it of his jobber. The jobber, in re-

"If we had paid $1.00 per quart for our Motor Oil the Graf Zeppelin engines could not have functioned more smoothly—

DR. HUGO ECKENER...COMMANDER OF THE GRAF ZEPPELIN

—we have had three years of perfect results and flawless performances with

VEEDOL"

(Signed) DR. HUGO ECKENER

No other motor oil in the world can match VEEDOL'S record in the Graf Zeppelin and the planes of the Byrd Expedition. Your own motor needs this same VEEDOL. Choose it for the same reasons they chose it...protection, dependability, smoothness... 25¢ per quart in crankcase lots, 30¢ per single quart ... There *are* no reasons why you should pay more. You can't buy a better oil than VEEDOL ... regardless of price ... process or crudes.

25 cents a quart by the crankcase full

30¢ a quart for lesser quantities

MADE FROM PENNSYLVANIA AND OTHER PARAFFINE BASE CRUDES

SAVE 5¢ TO 10¢ PER QUART

SAVE 25¢ TO $1.00 EVERY TIME YOU FILL YOUR CRANKCASE

Tide Water Oil Sales Corporation
11 Broadway, New York City

MADE BY THE MAKERS OF TYDOL ETHYL AND HI-TEST (GREEN) TYDOL GASOLINE

The news value in this advertisement dictates its use in daily newspapers.

sponse to the "demands" of so many retailers, would buy a stock from the manufacturer and start the merchandise on its way to clamorous customers. This system involved enormous sums for advertising and often the retailer found that, by the time he secured the merchandise, the "demand" was suffering from anaemia and, what was worse, that there was no tonic available. The advertising appropriation had been exhausted. It was not fair to manufacturer, jobber, retailer, or customer. It assumed that advertising could *supplant* selling. In reality, advertising should be an *aid* to selling. It is a waste to advertise a product which is distributed through the retail and jobbing trade, before that trade has been supplied with the merchandise to take care of the customers' demand, when created.

Assuming that distribution has been effected, and that the manufacturer decides upon a localized drive in newspapers to stir up lagging localities, he must plan his campaign in miniature, just as though he were mapping out a campaign of larger proportions. He must choose his media carefully. He must enlist the coöperation of the various service departments in the newspapers of the territory upon which he is to concentrate his advertising. He must have his salesmen call upon the dealers and jobbers to see that stocks are ample. He must have special copy prepared for the localized campaign. Strategy is used in deciding upon the period when the campaign should run. Many questions should be asked.

Are people away in large numbers on vacations? Is the weather so hot that people have not much interest in anything, except shade, fans, and ice-water? Is purchasing power good in towns in which the advertising is to be run? Are there any strikes? What percentage of the homes are wired for electricity? Is there a supply of natural gas? Water supply? To what audience will the campaign appeal—to the middle class, to the wealthy, or to the wage earner? What proportion does each group form of the population in the given territory? Is there much or little competition of rival products at the time?

General copy will not suffice for a localized campaign. The copy must be adapted to the specific audience. A campaign for a beauty soap was carried on in several cities. The copy was languid; it talked along in a casual, general way. There were beautiful pictures and exquisite words—but no results. Then some acute person remembered that these cities were soft-coal centers. A new series was prepared in a hurry, to meet local conditions. It was crude, blunt, bold. But it sold the soap. Why? Because the copy talked about conditions that influenced the complexions of women in that one territory, and the moment women read it, they nodded approval and said, "Yes, that is true."

The modern national newspaper advertiser, working city by city, cultivates profitable markets for all his trade outlets as well as for himself, for in the majority of cases he is about ready to subscribe to

this proposition: *It no longer pays to look for business at points where it will not pay to advertise for it in the newspapers.*

6. *Selling zone.*—Every candidate for a national office conducts his campaign with full regard for political units. His national triumph is a sum of local successes. He establishes himself, first, in his home precinct; later, in his city, his county, his state. Similarly, every manufacturer seeking national distribution should win it, market by market. This method costs least and builds on the most secure foundation. If you are trying to sell nationally, think first of the local markets. Use your salesmen and your advertising to establish your product firmly and profitably in each market you enter. The logic of handling, selling, and advertising by markets seems as obvious as a black eye. Every school boy is familiar with the differences—social as well as climatic—between the North and the South, between New England and New Mexico, between Montreal and Los Angeles. In organizing their selling forces, manufacturers have almost universally recognized these facts. They have divided the country into sales territories, establishing branch offices and local warehouses.

The primary functions of advertising, in the merchandising of a product, are to assist the manufacturer in selling it to the retailer (generally through the jobber), and to assist the retailer in selling it to the consumer—at a profit. If an article costs 75 cents to manufacture and sells for one dollar, it is

obvious that the profit will depend upon how much it costs to sell it. It may cost 24 cents to sell it in distant regions, and 20 cents to sell it in the city of manufacture. In the one case, the profit is one per cent; in the other, five per cent, or five times as much. The manufacturer must not lose sight of the fact that five per cent of $1,000,000 amounts to $50,000 net profit, while one per cent on double the sales ($2,000,000) amounts to less than half as much net profit ($20,000).

To secure the greatest number of high-profit sales, and to eliminate the unprofitable sales, it is necessary to localize and sectionalize advertising and sales work. Swimming the English Channel is a difficult enough feat when all conditions are favorable. Time, tide, and wind must be studied and taken advantage of by the intrepid swimmer, if the chances of success are to be even. Sound merchandising also tries to go with the tide. Intensive sales and advertising campaigns should first be organized where receptive markets, convenient transportation, possibilities of large volume, etc., indicate that each dollar of sales work will yield maximum profit. Advertising and merchandising effort should be concentrated in these sections until they are producing all the high-profit dollars that can be obtained from them. The next best sections then should be taken up in the same way, until every market which can be worked profitably is yielding its full quota.

7. *Deciding upon the amount of space.*—The

amount of space to use and the number of insertions to schedule depend, of course, on the product and the medium used. This point will be discussed in greater detail in a later section of this chapter.

Most advertisers adopt the plan of opening a newspaper campaign with fairly large-sized space, tapering gradually to small sizes until they reach the size which their appropriation will permit them to use with regularity. In this connection, it is well to note that the single-column advertisement usually receives better position, unless position is specified and paid for, than the double-column or triple-column advertisement. This is particularly true of the papers in large cities. The general practice of newspapers is to make up the page from the bottom upwards, starting with the largest advertisements at the bottom of the page.

8. *When to advertise in newspapers.*—The question as to the best days of the week to advertise must be decided by the advertiser after weighing carefully the advantages or disadvantages of certain days, according to the nature of the product and the buying habits of the community. However, there are certain practices, almost standard, that may aid the advertiser in his choice of days of the week. If he is advertising to men and using small space in a newspaper in a large city, Friday is not an appropriate selection. The Friday newspapers, both morning and evening, are generally crowded with the advertisements of department stores, specialty shops, etc.

While no general rule can be laid down, it is safe to assume that, if the product is one that appeals to women, he can be reasonably certain that the newspaper's advertising pages are more carefully perused by them on Friday than on any other week day. If the product is one that makes its appeal to both sexes, Sunday is a good selection for the advertiser who is running a one-time-a-week advertisement. Saturday morning newspapers in large cities are not generally considered a good selection for advertising to women, the theory being that the almost universal observation of the Saturday half-holiday sends most women on pleasure bent, with matinées rather than shopping occupying their minds. Of course, much depends on the product and its relation to buying habits and housekeepers' habits. A better selection could hardly be made than Thursday evening newspapers or Friday morning newspapers for a brand of canned fish, clams, etc., to remind the housewife that Friday is "fish day." Similarly a laundry soap or washing powder manufacturer profitably capitalizes on Monday as "wash day" by advertising in Sunday papers.

Many advertisers have found that men are more prone to spend money on routine purchases, such as clothing, shoes and haberdashery, candy, tobacco, etc., on Saturdays. Since Saturday is very generally pay day, many advertisers use Saturday morning and evening papers accordingly.

However, there is no set rule or set of rules for

guidance in this regard. For many products, one day of the week is as good as another; the only thing to bear in mind is that the advertiser must plan to present his appeal as closely as possible to the time when he expects the purchase to be made. The longer the interval between the urge to buy and the convenient time for purchasing, the less dependable the reaction.

9. *The use of national magazines.*—In advertising circles, the magazine has come to be looked upon as the great national medium. If the advertiser will take the time to examine this type of medium, he will find that it contains the advertisements of those products that have national sales possibilities.

Advertisers use this medium for many purposes. In some cases, they use it to direct consumers to the retailers who handle the product. On the other hand, magazines are also employed by the group of concerns doing business by mail that intend their advertising in magazines to produce orders or inquiries, which are either followed up by mail or turned over to the salesmen of the company. Still others use magazines to keep the name of their product before consumers or to point out new uses for the product.

Few, if any, retail establishments advertise in national magazines. When they do, these concerns usually advertise for mail orders. Others, as in the case of Tiffany and Company, use magazines because their house is known nationally, and their advertising is not so much to encourage mail-order

business as to attract the visitor from out of town.

10. *Women's publications.*—Women's publications occupy an important position in many advertising campaigns. They have earned a place for themselves as intimate advisors to their readers, the editorial content being as wide in range as the entire province of women's interests. A reading of any issue of a women's publication will reveal the wide variety of topics treated and the equally wide variety of products advertised.

Of course, the chief interests of these publications are directed to women—although many men read some women's publications. An advertiser must remember, however, that this type of medium caters primarily to readers whose chief interests lie in the home and in the welfare of the family.

11. *The use of farm papers.*—Records in the Department of Agriculture show that two-fifths of the total population of the United States is agricultural. This gives some idea as to the importance of this market to the manufacturer. Hence, it is not difficult to understand why farm papers occupy a place in the advertising programs of many manufacturers.

In these publications, we find advertised about the same types of products as in general magazines. In addition, we find those products that are used primarily by people living on farms.

An advertiser must think twice before deciding not to use farm papers as a part of his campaign, for there is little if any difference, these days, between

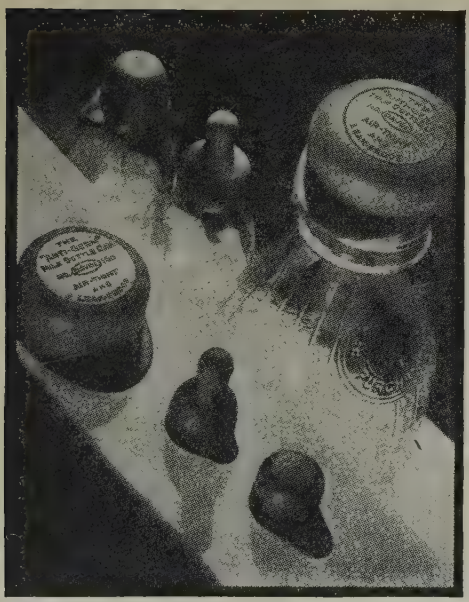
the wants of the farmer and those of his city cousin. In many cases, the product must be brought to the attention of the farm dweller through his farm paper.

12. *Trade and technical publications.*—Advertising in trade papers is directed at dealers. Manufacturers are anxious to have the endorsement, not only of the dealer but of his sales people as well. Failure of the dealer to accept a product will ruin the best laid advertising plan. In addition, manufacturers use trade papers as a vehicle to inform dealers regarding the plans they are following to induce consumers to use the product.

Technical publications carry the advertisements of manufacturers who produce materials or implements that are used in the professions or in manufacturing. For example, *The Journal of Accountancy* carries the advertisements of concerns manufacturing the products of interest to accountants, while a publication like *American Machinist* contains advertisements of machines used to produce various commodities.

13. *Foreign language publications.*—There are over a thousand newspapers in the United States printed in thirty foreign languages, while in Canada there are over a hundred publications in this class. These papers reach approximately 9,000,000 readers. Such a market is worthy of consideration by any manufacturer.

Many national advertisers use this medium because they feel that there is no reason why the readers of



★ *ANTI-COLIC NIPPLES WITH SANI-TAB (No. 331) slip over the lip of nursing bottles so that a mother's fingers need not touch the pouring edge.*

ANTI-COLIC NURSING BOTTLE CAPS (No. 331) do away with the need to plug nursing bottle with wads of cotton. They completely cover the pouring edge until feeding time.

ANTI-GERM MILK BOTTLE CAPS (No. 160) protect large milk bottles in the same way the smaller Anti-Colic Nursing Bottle Caps protect nursing bottle.

For the Laughing Babies in your neighborhood

THE sanitary handling of babies' milk is very necessary. Yet the most loving hands may transmit germs. And the air is filled with dust. Consequently, the patented Davol Sani-Tab products, which guard babies' milk against contamination by the hands or air, are extremely useful.

The Sani-Tab, an exclusive Davol device, is a small rubber lip, or nib, placed on nipples and bottle caps to provide a grip for the thumb and forefinger. It is something to take hold of. As a result it helps keep fingers away from the pouring edge of babies' bottles.

Display the Davol Sani-Tab products in use . . . in your window, on your counters...on nursing bottles and milk bottles. Then explain their sanitary advantages to the mothers who patronize your store.

DAVOL RUBBER COMPANY
PROVIDENCE, RHODE ISLAND

A GOOD NAME TO POINT TO

This advertisement was one of a series in druggist trade journals. It indicates the care and ability expended in modern trade advertising as compared with the neglect such advertising formerly received.

foreign language papers should not enjoy and use the same products as are bought by readers of newspapers printed in English. Copy in this medium should, of course, appeal to the readers of the particular publication and adapt itself to their language and habits.

14. *Directories.*—Some advertising of impressive proportions has had its inception in directory advertisements. It is said that newspapers find directory advertising to be their most prolific source for the development of newspaper advertisers.

Many attempts have been made to put advertising in directories on a basis that would permit its use as a part of a national campaign. However, it is still, for the most part, of a local nature. While it is valuable in some respects, its possibilities are not very encouraging to an advertiser who is considering it as part of a national program, for the reason that it is not sufficiently elastic.

15. *Size of space to be used.*—As was pointed out earlier in this chapter, experience has shown that no hard and fast rule can be laid down regarding the size of space that is best. Some advertisers are advocates of small advertisements, repeated frequently, while the protagonists of the large space base their contention on the theory that one must "shout" to gain attention in a crowd. The advocates of frequent repetition of small advertisements justify their recommendation on the theory that *continuity* is the vital factor in advertising. While continuity is an

important factor in any campaign, the program resolves itself into one of making the advertisement of such size and layout that it will have some assurance of being seen, even though the amount of space used may be comparatively small.

This division of opinion makes choosing difficult for the advertiser. Naturally, he desires his space to be large enough to prevent the "voice" of his appeal being "drowned out" by his advertising competitors' bid for attention. On the other hand, the use of large space will sap his appropriation and curtail the duration of his campaign.

Many say that the page is the ideal unit in magazine advertising. Others contend that a page advertisement is more quickly turned over than a half-page or quarter-page alongside reading matter.

REVIEW

Discuss the relative importance of local retail advertising, classified advertising and foreign advertising in newspapers.

Explain the relationship between the local advertising campaign and the nation-wide campaign for a product seeking ultimately to have national distribution.

Discuss the questions of space and day-of-week to be used in newspaper campaigns.

Distinguish between the principal types of periodicals as to their use in an advertising campaign.

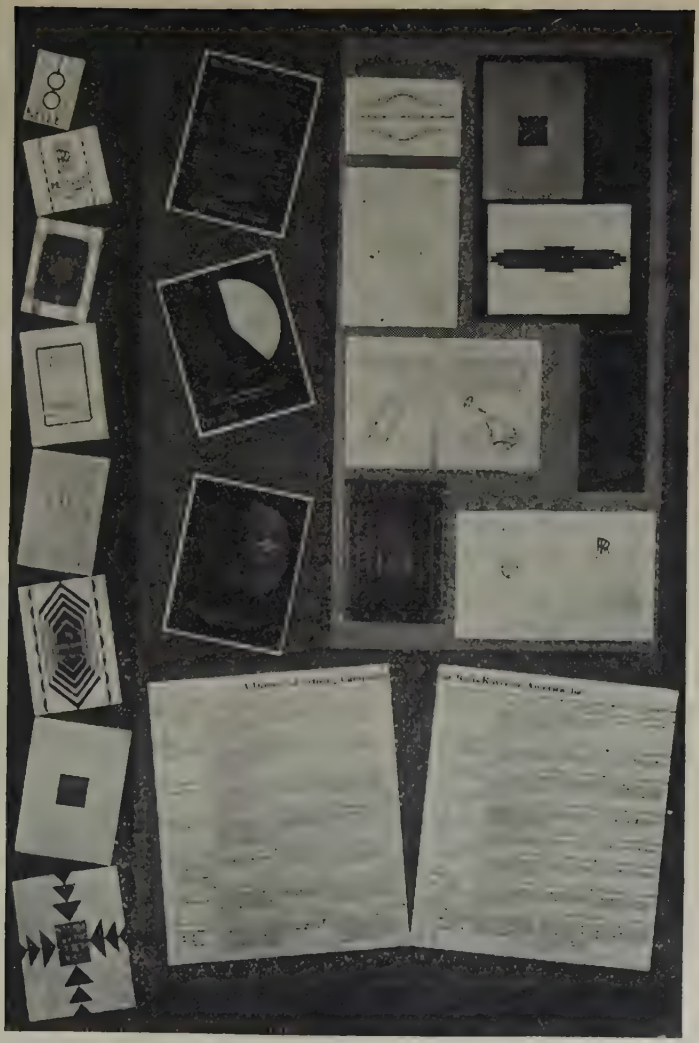
CHAPTER XI

DIRECT MEDIA

1. *What are direct media?*—An advertising medium is a vehicle for carrying some form of sales message to potential buyers. Newspapers, magazines, farm papers, technical and trade publications, foreign language papers, programs, directories, and college publications are classed as *indirect* advertising media because they are not published primarily and solely to carry the sales message of the advertiser. Letters, catalogs, booklets, house organs, etc. are prepared and distributed for the *sole* purpose of exploiting the wares of a single advertiser and, for this reason, are referred to as direct media.

Because most direct media are distributed by mail, direct advertising often is referred to as "direct mail" or "direct by mail" advertising. As a matter of fact, it may be distributed, by hand, from door to door, or over the counter of a store, as a package insert.

The use of the word "mail" in connection with direct advertising has led many people to confuse it with *mail-order advertising*. There is no connection. Mail-order advertising may or may not go to the prospect through the mail, but it always seeks to



Where the consumer market is definitely limited, and the names of nearly all possible purchasers are available (as is the case with Rolls-Royce), direct advertising is economical and productive.

bring the customer's order or inquiry back through the mail. It may be presented to the prospect in a newspaper or magazine as well as through a letter, booklet, or catalog. Conversely, many large business institutions, selling their products through retail stores exclusively, invest hundreds of thousands of dollars annually in direct advertising.

2. *Advantages of direct media.*—Direct advertising, utilizing the postal system, has many advantages over indirect advertising, under certain conditions. It has also its very definite limitations. It is not, in most marketing situations, a substitute for either personal selling or indirect advertising. Most advertisers use it to supplement these other two forces. Its basic advantage is selectivity. The user of direct advertising can reach exactly whom he wants at the exact time he wants to reach them. He controls the quality and quantity of the advertising units distributed, and the date on which they shall go into the mails. He can control the expense of his campaign by limiting the territory covered or the number of prospects approached. He is able also to guard trade information, and to personalize his message to appeal to a particular community or to a particular class of people.

The use of direct advertising allows the advertiser to capitalize special sales opportunities, or to "warm up" small blocks of territory as slowly or as rapidly as is required to prevent the printed sales message from losing its effectiveness before salesmen can fol-

low it up. Direct advertising may be selected because it affords greater protection of trade information. Special price appeals may be made with less danger of stirring up competitors. Patents, new types of machines, or new patterns in fabric must be explained fully in order to sell the product, but the advertiser may wish, for some reason, to make his announcement to only a limited number of prospective buyers, rather than to broadcast his appeal. The advantages of such an "underground" campaign are well appreciated by practical advertisers. Again, direct advertising permits of a fuller description of a product than can be given in a magazine or newspaper advertisement, without prohibitive investment in space.

3. *Using direct media to supplement sales work.*—Direct media may be used to solicit orders from prospects, as demonstrated by the large mail-order houses. They may be employed also to supplement the work of salesmen, to move goods in a retail store, and to teach the retailer or agent how to work more efficiently. They are often used to introduce a new specialty or a new policy.

When direct advertising is used to supplement the work of salesmen, it can perform two very important functions. Sent out before the salesman calls, it familiarizes the prospect with the organization and product, and enables the personal representative to devote more time to closing sales. It also is effective as a follow-up, when the salesman is unable to close

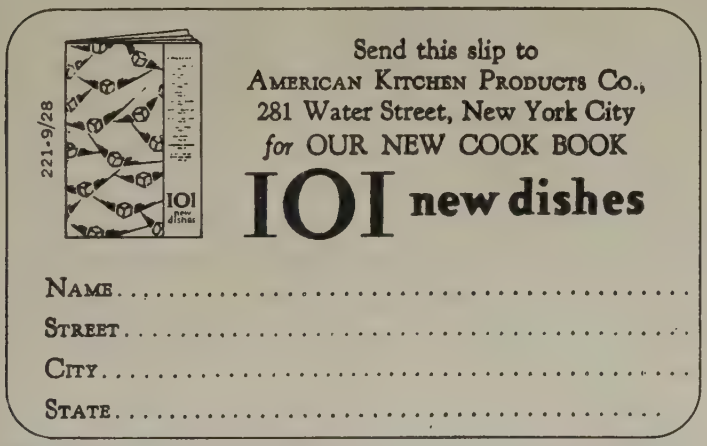
the order at the time of his call, as it can pound home the strong points about the product or service and hold the prospect's interest until the salesman's next visit. Such advertising often prevents a competitive salesman from getting the business from a prospect who was only partly sold in the first sales interview.

Some companies are using direct advertising effectively between the calls of their salesmen. If a house has many dealers, frequent calls by salesmen will run into considerable expense. The use of letters, at frequent intervals, supplements the calls of salesmen, and enables the house to keep in close touch with the distributors, at much lower expense. An interesting illustration of this method, both as the principal means of appeal and as supplementary to space advertising, is found in the real estate business in New York City. With the erection of scores of expensive buildings each year for residence and business, the advertising agencies specializing in this field have turned to direct mail advertising. Presentation books, costing as much as two and three dollars apiece, telling the story of the building and showing the plans of the apartments, are not at all uncommon. Naturally, the number of such books in any direct mail campaign is limited.

When a proposition justifies the use of such pretentious material, it is because the number of possible buyers is small. It is safe to say that, in this one field alone, a yearly expenditure running into millions of

dollars is made and justified by the results in business secured.

4. *Package inserts and "over-the-counter" literature.*—Not all direct advertising is sent through the mail. A valuable form of direct advertising medium that has been used extensively during recent years is the package insert, which has a variety of uses. It may be informative, as the Three-in-One Oil booklet,



Front side of a package insert (exact size) which conveys considerable information and bids for an inquiry in very small space. This is, in effect, a coupon advertisement, costing practically nothing, that aims to build goodwill and increase use of the product.

which acquaints the buyer with the oil's numerous uses. The National Biscuit Company's inserts make the package of one product the medium for carrying the advertisement of another product of the same family. A number of companies inclose coupons that are exchangeable for "gifts."

Package inserts have also been used as media in a coöperative advertising campaign. The makers of certain brands of silk hosiery and lingerie insert a memo in each package recommending a certain washing powder or soap for use in laundering the articles, and the soap manufacturer, in turn, gives publicity to the hosiery and lingerie manufacturers who endorse the use of his soap. The chief advantage of the package insert is the great probability that the message will get attention.

Besides employing the package insert, many advertisers provide their dealers with literature in the form of cards, folders, booklets, etc., for distribution over the counter. This is an excellent way of getting a story of the product and its uses into the hands of prospects. Such direct advertising gives the prospective purchaser a better knowledge of the product and goes a long way toward helping the dealer make sales.

In many instances, this "over-the-counter" literature may simply serve to awaken interest in a product that the dealer does not carry in stock. A manufacturer of garden tools may have rakes, hoes, and smaller garden implements on sale at hardware, house-furnishing, and department stores. This same manufacturer may produce motor lawn mowers and lawn rollers which these dealers do not carry in stock. Booklets and folders of these products are placed on the counters of the dealers who handle the smaller units, and the purchaser may order the larger prod-

ucts direct from the manufacturer or through the dealer. In the former case, the dealer is generally credited with the sale.

5. *Mailing lists.*—A good mailing list is the foundation of a successful campaign. It should be considered from the standpoint of final profits, not initial cost. It is true that poor advertising matter sent to a live list is partly wasted, but good advertising sent to a poor list is most certainly wasted. Therefore, it pays to build or buy a good list. Business failures, deaths, removals, special trade conditions, etc., make a mailing list like sand of the sea—always shifting. Changes run from 10 per cent to 50 per cent each year, according to classifications.

The first step in compiling a mailing list is to decide what classes of people are most likely to buy the goods. As a start, certain broad classifications may be made, based on sex, occupation, income, nationality, or some similar general grouping.

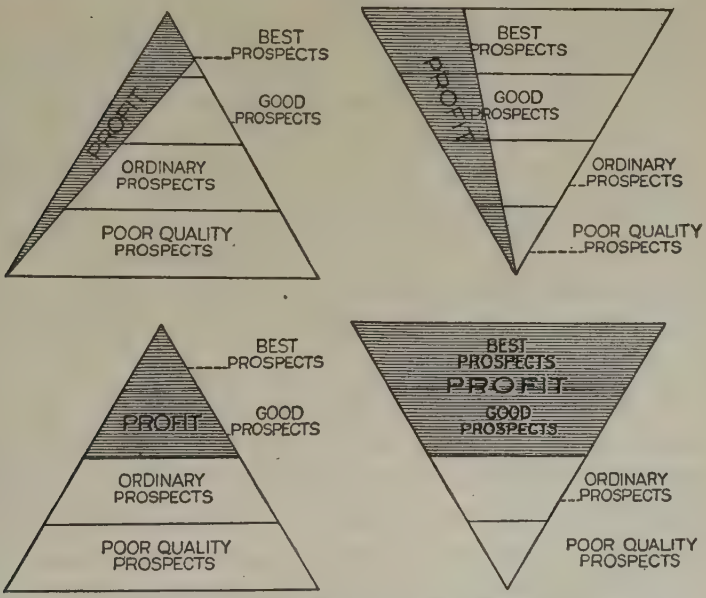
One plan, used to build a live mailing list quickly, is to offer something at a reduced price in a magazine or newspaper. One of the great mail-order houses obtained its first mailing list by publishing advertisements offering thirty pounds of sugar for a dollar. Within a few days, the company secured the names of thousands of people who had thus demonstrated their willingness to buy direct by mail when exceptional value was offered. Other plans of this sort that have proved effective are prize offers and voting contests.

Valuable mailing lists may be purchased, on very short notice, from companies that are in the business of compiling lists of names for advertisers. The prices of such lists vary with the difficulty of compiling them, ranging from one cent a name to as high as fifty cents. A reputable listing agency will usually guarantee its lists to be 95 to 98 per cent accurate, depending upon their nature, and they refund for all "dead letters." When buying "names," it is well to stipulate that letters returned because of wrong or insufficient address shall call for a refund.

Sources of mailing lists are too numerous to be cataloged here. The following will suggest the many mines of information to which the wideawake advertiser may turn. City and telephone directories and social registers are valuable for local circularization; rating books and trade directories cover a larger territory. Membership lists of business clubs, chambers of commerce, fraternal orders, and social and labor organizations are helpful. Among governmental records are city and county tax lists, building permits, license and marriage records, registration lists, automobile licenses, new incorporations, income tax lists (federal and state), and consular reports; in the United States, the reports of the Bureau of Foreign and Domestic Commerce contain a wealth of material.

Mailing lists may be augmented by press clippings on society notes, births, deaths, marriages, fires, transfers of real estate, etc. A study of advertisements in all kinds of publications will yield valuable

names, and lists may be exchanged with other advertisers. Among various other miscellaneous sources are the list of accounts on the advertiser's sales ledger, reports of salesmen, lists of employees of business houses, addressing companies, banks, dealers, etc.



It is poor policy to work medium or low-grade prospects in sales efforts before all the best prospective customers have been thoroughly covered. This diagram indicates ordinary distribution of effort in class of names in an average mailing list. The average run of prospective customers does not yield highest percentage of profits because a large proportion are medium and low-grade prospects. The shaded sections show how efforts should be concentrated on the best prospects. This plan yields a larger percentage of results and profits.

6. *Analysis of the list.*—An analysis of an advertiser's requirements will result in the compilation of a mailing list of practically 100 per cent desirable prospects, calculated in every detail to cover the ad-

vertiser's needs completely and economically. When it is considered that every name on the mailing list costs the advertiser two cents or more per mailing, it is evident that it is economy to use a list backed by analysis, rather than an old list compiled in an office by inexperienced help.

Through the process of elimination or segregation, it is possible to reduce the number of names on the list, to cut off certain lines of business, to add others, to place restrictions, etc.

Mailing lists should be revised frequently, not only from the mail matter returned from each mailing, but from salesmen's reports, correspondence, and trade information. Frequently this checking will show that an entirely new channel of business exists, hitherto unsuspected.

7. *Maintaining a list of your customers.*—Every business house should maintain a list of active and inactive customers. These lists should be checked frequently. The customer is a human individual. Competition, personal friends, and other factors are ever in his path to divert him from you. If you have his goodwill and he knows that his business is appreciated and respected, he is less amenable to their approaches.

Several authoritative investigations enable us to show what happens to 100 customers who no longer trade with any given retail merchant:

68 drift away because of store indifference towards them

9 buy elsewhere because of price inducement or better service
3 move to parts unknown or to more convenient shopping places
14 have unadjusted grievances and take their business elsewhere
5 are influenced by friends to shop at their favorite stores
1 is either dead or unaccounted for

Many of these losses are preventable, and the persons can be retained as customers if the proper effort is put forth. The customer on the books of a certain men's clothing store is worth $85 a year in gross sales; the customer on the books of a certain department store is worth $362 a year; the customer on the books of a certain cloak and suit store handling other specialties for women is worth $236 a year; the customer on the books of a certain shoe store is worth from $35 to $68 a year, depending upon the size of the customer's family; the customer on the books of a certain furniture store is worth $87 a year, after he has furnished his home.

What would a business do if, during every year, it lost 25 to 40 per cent of its old customers, while it gained only 15 to 25 per cent of new trade? Retrogress, of course, and if that same firm faced the necessity of securing 25 to 40 per cent of new business each year, it would find advertising much too costly a proposition.

A few purposes for which lists may be used profitably are the following:

(a) To reach all dealers in a given territory
(b) To reach customers and solicit orders direct, or through dealers
(c) To do missionary work in advance of salesmen
(d) To sell direct to given groups of prospects as a means of stimulating demand for dealers
(e) To establish quotas
(f) To route salesmen so that ground can be covered quickly
(g) To circularize in local dealer coöperation campaigns
(h) To protect advertisers through rating classifications

Because of the poor direct mail methods frequently employed, and improper selection of mailing lists, thousands of dollars are wasted annually, the greater part of which could be made profitable if only the mailing list were prepared with some accurate idea of its specific application to the business.

8. *Directing the material.*—In an investigation covering several months, it was found that 52 per cent of the mail received at the Chicago Post Office bore no street address. According to postal rules and regulations, insufficiently addressed first-class mail gets "directory service" and is delivered; "metered" mail, both first and third class, is returned; while regular third-class mail goes into the discard. It is, of course, essential that every direct mail advertiser familiarize himself thoroughly with the various regulations of the postal authorities. These may be obtained by subscribing through any post office for the *Postal Guide.*

It pays to be sure that the street address appears on your direct advertising to insure its delivery. When addressing material to an individual in the main office of a large corporation, where the street address may not be required, such as the Standard Oil Company of New York, the name of the individual and the name of the company should be given; if it is a branch office, the street address should also appear.

The mailing pieces should be addressed exactly as the names appear on the list. For instance, do not direct a piece to J. A. Billings if the name on the list is Jeremiah A. Billings, or J. Ansleigh Billings.

The small amount of care required in watching for errors in names, when addressing, is more than paid for by the additional assurance of delivery when names and addresses are correct.

9. *Keeping record of names.*—The necessity for the use of filing cards for mailing lists is apparent when we consider the frequency of corrections, removals, additions, and of new classifications, especially those new classifications necessary when a prospect has been appealed to or when he has responded to the mail campaign.

One method is to file all cards alphabetically, distinguishing the different classifications by metallic index tabs. Using cards of different colors is another good method of subdividing a file, and this method may be used in coördination with the index tabs. The practice of using a single, subdivided file is good,

especially where all cards are checked periodically against directories, rating books, or other alphabetical sources. The use of several files usually necessitates a great deal of extra work in duplicating cards for cross filing.

It is an individual problem whether to file these cards alphabetically by the individual or firm name; geographically, by post office address; or territorially, by county or some other division. Some houses file them according to some special advertising campaign, as "Furniture Sale," "China Sale," or chronologically, as the seed men file their records.

10. *Testing the list.*—Before launching the complete campaign, experienced advertisers have found it profitable to test the list. A trial mailing will often serve as an advance analysis of the possible success of the campaign. For example, you may have a circular "form" letter which you think will bring replies. You intend to send this letter to every bank in the United States. Why not pick a half-dozen names at random from every state in the Union, mail out around 300 pieces, and ascertain definitely what percentage of replies you get? You may get thirty replies—10 per cent—which would seem very good at first glance. But if you analyze these replies further you may find that they come from west of the Mississippi, almost exclusively. In such an event, you may well investigate and find out why the letter did not bring an equal proportion of replies from the rest of the country. This is a

simple instance of using the test method of determining in advance the possible success of a piece of direct advertising.

It must be admitted that tests are largely restricted to letters because of their low cost. If an advertiser desires to test a mailing card, folder, or booklet, the test may be made by putting the text material into letter form, and results obtained should enable him to tell how the appeal pulls.

Wherever it is possible, without too great expense, it is desirable to eliminate the "dead wood" from the mailing list. This is especially desirable when a list is to be used for an extended direct-mail effort. The sooner this is done, the sooner the percentage of sales will climb to a reasonable proportion of sales effort. When an expensive booklet is used to describe the goods, it is not advisable to send out the booklet promiscuously to a large list. Instead, a strong appeal should be sent out inviting all interested in securing the booklet to return a card which should be inclosed. Some companies that have inexpensive booklets have found that, though more replies come when stamped envelopes are inclosed, the increased returns may not warrant the additional expense.

A western railroad that has a large tourist traffic during the summer sent out a letter, with a post card inclosed, to a list of 2,000 business men. To half of the names on the list, the card was stamped; to the other half, unstamped. It is interesting to note that the stamped card pulled about twice as many returns

as the unstamped card, and the variation in the number of replies from different classes of business men is also interesting.

The letter was intended to arouse interest in a vacation trip to Yellowstone Park, and offered additional information upon the return of the card.

PERCENTAGE OF RETURNS

Business	*Stamped*	*Unstamped*
Bankers	10.63	5.68
Lawyers	8.16	5.20
Contractors	7.44	3.74
Physicians	7.44	3.23
Dentists	5.85	2.71
Commission men	5.00	2.61
Architects	4.49	1.06
Coal dealers	2.65	1.78
Average	6.70	3.43

11. *Planning the campaign.*—The five fundamentals governing the planning of any direct advertising campaign are:

(a) Analysis of aim or purpose
(b) Analysis of appeal to be used
(c) Analysis of time of appeal and re-appeal
(d) Analysis of effect of physical and mechanical factors upon appeal
(e) Analysis, in advance, of possible success through tests

As a result of such an analysis it may be found that one single piece will accomplish the results desired, or it may develop that many different pieces will be

needed. Possibly the analysis may cause the advertiser to decide against attempting the campaign at all.

"It is a fact that all too many direct advertising campaigns are prepared tonight and are ready to mail in the morning," wrote W. Arthur Cole. "When it becomes necessary to make an attack before daylight—'at the psychological moment'—go to the newspapers. When you must take a market by siege—and, in these days, competition forces most advertisers to do it that way—do it by a direct-advertising campaign preplanned to the last detail." The advice in this quotation does not consider the enormous field in using direct advertising to follow up inquiries produced from other sources, yet just as much care in planning is necessary here.

After the campaign has been thoroughly and carefully planned, the next step is to determine what ammunition will be used and how it will be fired. That is, determine the number and style of the mailing pieces, and the intervals between mailings. These are, of necessity, individual problems with each advertiser and are regulated by the amount of the appropriation.

It is obvious that an advertiser using a list of 50,000 names could not consider employing the same type of mailing material as the advertiser who is using a 5,000 list, unless the profits from sales would seem to warrant such a huge expenditure as would be necessary in such a case. Furthermore, the dura-

tion of the campaign would tend to regulate the character of the material. A campaign of short duration might use expensive material which, if used in a campaign of long duration, would make the cost prohibitive.

While direct-mail advertising cannot be used to make direct sales for all products, it can, in other instances, either produce inquiries or pave the way for the salesmen; it may be used simply to keep alive the interest in the product or the house and thereby retain and increase goodwill; or it may be used solely for getting lists and correcting them. But these purposes are seldom separate and apart. The campaign which produces inquiries usually also creates goodwill or keeps the interest alive until the salesman can call.

The time between the various pieces of follow-up should be sufficient for the prospect to consider thoroughly each argument set forth—each point needs to be made forcefully without antagonizing him. A hotel manager, anxious to secure the convention of an important organization, so bombarded its officers and the members of its executive committee with daily follow-up material that he lost the convention. The usual time between follow-ups is from seven to twelve days, and the length of time after the first two or three follow-ups is usually longer.

A mail-order advertiser made a test on five lots of inquiries followed up for a month and a half at inter-

vals of one, two, three, four and fifteen days. His results showed the following percentages of cash returns, respectively:

	Per Cent
One day	4.14
Two days	6.54
Three days	4.73
Four days	5.91
Fifteen days	6.86

In this test he also tried out a full month's interval but, he writes, "This showed a very low percentage."

12. *Variation in returns.*—In answer to an inquiry as to how large a percentage of returns one should expect from form letters, the editor of *Printers' Ink* said, in part: "A letter which offers something for nothing will pull a large percentage of replies. Returns might run as high as 75 per cent, from a well-written letter on handsome stationery that is accompanied by a stamped return card which the addressee has but to sign in order to obtain, 'absolutely free,' a handsome book bound in full morocco. But if you ask for an immediate remittance of two dollars, this being the regular price of a piece of merchandise, you will have to write very skillfully indeed to pull two per cent returns."

In this comment, the editor emphasized the fact that much would depend upon the nature of the offer. There is but one conclusion to be drawn regarding the question of returns, namely, that to lay down as a general rule a definite percentage of returns to be

expected from circular matter, without regard to the proposition, the letter, or the list of names addressed, is treading on very unsafe ground.

13. *Measuring the returns.*—A trial campaign to establish the proper number of mailing pieces in a series of follow-ups may require so much time as to be impractical. The advertiser may be obliged to decide from judgment rather than from experiment. He knows that in the first part of the series the appeals will operate in his favor, but that a "diminishing return" will operate against him in the latter part of the series.

Just where, in the series, can strength be gained by the addition of a mailing piece? Just which mailing pieces show a lower cost per inquiry or a lower cost per sale? Questions such as these can only be answered from the record of returns from each mailing. With detailed and accurate records of results obtained, it will be possible to eliminate the mailing pieces that are bringing the smallest returns.

Many national advertisers keep a careful check on their magazine and newspaper advertising and, when a specific piece of copy shows more "pulling power" than other pieces in the campaign, it is used over and over again. The same procedure is applicable to direct advertising. When any particular mailing piece brings greater response than others in a series, it is a good one for the advertiser to use as a pattern for subsequent material of a similar nature.

14. *The element of timeliness.*—One of the im-

portant advantages of direct-mail advertising is that of timeliness. By means of direct media, the manufacturer or dealer can reach the logical prospect at the psychological time. The furniture dealer sends his literature to those whose engagements are announced in the papers, suggesting that he can help furnish the new home; when births are announced, dealers offer baby carriages, infants' wear, and cribs. Experience shows that direct-advertising appeals may be timed as to hour, day, month, and the season of delivery, as well as to the event. When a time appeal is attempted, depending for its success on the day or hour of delivery, it is necessary to secure the close coöperation of the post office department. But planning a campaign to reach the prospect during a certain month or at the happening of a certain event, such as initiation, marriage, graduation, etc., is comparatively simple and easily accomplished.

Timing the appeal by the event is used principally by retailers. Manufacturers, usually located at a distance, find it impossible to make their appeals coincide with the events unless they are known with sufficient definiteness to warrant planning far ahead. Christmas and vacation periods are examples of occasions which offer a ready opportunity for *timing* appeals.

Many national advertisers are making use of the "day" and "week" idea. We have national "Electrical Week," "Clean-up Week," "Safety Day," "Mother's Day," and many others ad infinitum. All

these industry stimulants provide the dealer with a chance for injecting timeliness into his advertising.

The rapidity with which a direct-advertising campaign can be produced and mailed is a strong point in its favor. An interesting example is given by W. G. Clifford in, "Building Your Business by Mail." A wholesaler received word early one afternoon of the reduction in price of a constantly used staple article. That same afternoon, he prepared and mailed 1,200 postal cards notifying the dealers of a special offer on this article. Ten days later, the competitors of the wholesaler became aware of the situation and reduced their prices. Had this wholesaler turned to the newspapers or trade papers in order to announce the price reduction, at least a day or two, or perhaps a week or more, would have gone by before the advertising appeared.

REVIEW

Outline the advantages of direct media.

Name the principal sources from which mailing lists may be obtained and explain how lists should be kept up to date.

Tell how to test a proposed circular letter.

Show how direct-mail methods can take advantage of timeliness in making the appeal.

Explain how the returns may be measured as the campaign progresses.

CHAPTER XII

SELLING BY MAIL

1. *Nature and importance of mail-order business.* —The term "mail order" refers to that type of business in which orders are received directly from the customer by mail, *without the aid of personal salesmanship.* The advertising message may be carried by the mails, by periodicals, or by newspapers; the distinguishing characteristic is that salesmen are not used.

Many people confuse the term, "mail order," with the term, "promoting sales by mail." The former refers to the manner in which orders are received or in which the business is taken; the latter, to a method of carrying the advertising message to the prospective customer. "Promoting sales by mail" and "selling by mail" are loose terms for what may be more precisely designated as "direct-mail advertising." Thousands of firms of every kind, among them mail-order houses, employ direct-mail advertising methods, but the number which rely upon the mails for bringing back the orders, *without the help of personal salesmanship,* is relatively small.

The mail-order house can effect sales economically because it groups together its merchandise, both for

purposes of advertising and for purposes of shipping. By combining groups of articles in one catalog, it presents merchandise inexpensively to remote parts of the country, to homes never reached effectively by the advertising or salesmen of the retailers, and to people in rural districts who seldom go to the city to see merchandise displayed. This is a real service.

A number of firms that can cover economically only the larger cities, by personal salesmanship, depend upon mail order for business in the more sparsely populated sections.

Effective, nation-wide publicity campaigns conducted by the great mail-order houses have developed an impression in many minds that this type of business has existed always. As a matter of fact, all of these institutions and, indeed, mail-order business itself, may be said to be a development of the last thirty years.

Eighty-five per cent of the merchandising in the United States and Canada is sold through retailers and only 15 per cent is distributed in other ways, including mail order.

2. *Importance of analyzing costs.*—One of the most important things to be done before launching a mail-order business is carefully to analyze costs. This is particularly true when attempting to build a business through the sale of only one product, a specialty of one kind or another.

Most things can be sold by mail-order methods if enough money is spent in the process, but no mail-

order house is in business for the purpose of spending money. The problem of the prospective mail-order advertiser is that of determining how much to add to his production costs for advertising and follow-up, in order to allow him a fair and safe margin of profit. Many mail-order campaigns have failed because this question was not properly considered in advance. A manufacturer once started a campaign to sell by mail, an electric torch, for one dollar. The torch cost him less than fifty cents to manufacture and he felt that the difference between fair cost and selling price was sufficient to cover all expenses, and leave him a fair profit besides. He found it actually cost seventy cents to sell each torch. Consequently, he was in the annoying position of seeing twenty cents slip out of his pocket every time he made a sale.

3. *What can be sold by mail order?*—Many products are sold exclusively by mail order. The Dennison Manufacturing Co., makers of paper novelties, have depots for retail sales in the larger cities and their wares may be bought in department stores and stationery stores in other places, yet they invite mail orders in their advertising and do a large business in this way.

In considering articles that are not adapted to mail-order selling, we should doubtless list cattle as impossible, and dogs as improbable. Certainly precedent has indicated that dogs must be put on exhibition to be sold. To refute this apparent principle, there is the extremely interesting story of a man who

began business with practically nothing and now does more than $75,000 a year in selling dogs by mail. "On an appropriation of $500 a month, 600 inquiries and $5,000 worth of business (average) are secured," said he. Ninety-nine per cent of his business comes from following up inquiries produced by various forms of advertising. He has about 12,000 names on file and has followed up some of them as many as twenty times.

This man uses different styles of appeal, some personal letters, some process, even a number in printed form. We give below a typical letter, sent to 6,000 names at a total cost of $484.50. It produced 3,000 answers and $10,000 worth of traceable business.

If you could do "the other fellow" a good turn, without any inconvenience or cost to yourself, would you do it?

I believe you would, and therefore would ask of you a favor.

If granted, this will bring you information on a subject you want to know more about. It will save us postage, literature, and time, and you will not continue to receive literature on a subject that no longer interests you.

Some time ago, in answer to an inquiry, I sent you one of our booklets, which has resulted in correspondence between us regarding a dog for you. Since you have not bought a Palisade Police dog, it may be you want to know more about this particular dog, or have you bought some other kind of dog?

It is our aim to establish a clearing house for dogs, and we would like to get an idea of just what kind of dogs our inquirers want. We would, therefore, appreciate it very much, if you would please check the enclosed card and mail it.

If you already have a dog and he is perfectly satisfactory, you may not be interested in further literature about the Palisade Police dog, and by checking the card "not interested," we will remove your name from our files.

If, on the other hand, there is anything you want to know about the proper feeding and care of your dog, or his training, we place at your disposal the Palisade Service, to help you care for and handle him, so as to get the most out of his companionship.

Please check, sign, and mail card now. It will help us both.

This letter has been criticized adversely by some—but look at the results.

Now we are ready to learn that cattle also have been sold successfully by mail. One of the speakers at a meeting of the Direct Mail Advertising Association described a catalog which in eight years had built up an annual business of $100,000, selling cattle entirely by mail. In this instance, a peculiar method of getting added publicity was employed. A copy of the catalog was sent to every congressman and senator at Washington, as well as to Y. M. C. A.'s and similar organizations.

4. *Handicaps of mail-order selling.*—The handicap of mail-order selling in comparison with face-to-face, over-the-counter selling lies in the fact that the manufacturer or dealer cannot answer objections to the goods. He cannot use the power of persuasion, in his salesmanship, to insure acceptance of the goods after they have been ordered and shipped. It is simply a case of the goods speaking for themselves,

plus the guaranty of "satisfaction or money back," of which men are not generally prone to avail themselves. Nor is he in a position to direct his sales talk into personal channels and tie up with the individual, as can be done by personal selling.

Most successful mail-order businesses have been built up on lines of merchandise rather than on single items. The "Potter's Field" of mail-order is filled with the bones of companies that tried to sell small lines or single specialties and failed. The house that can offer a varied line can expect its average prospect to be attracted to some of its merchandise—enough, it may hope, to make the business profitable. The advertiser of a single specialty cannot depend upon any such law of averages.

Such small-line specialties as have won a fair degree of success in selling direct to customers by mail order have generally been articles of considerable value—enough to make the individual sale profitable. Shoe laces have been pointed out as a specialty which one could not logically expect to market successfully by mail order. The average purchase would be small in value. One of the problems of mail-order merchandising is to raise the amount of the average sale.

The expedient of offering a dollar assortment of shoe laces is shown to be void of promise when one considers the buying habits of the public. More and more, people wait for the bootblack or the repair man to put in new laces as they are needed. No advertiser can afford to ignore the buying habits of

the people. If there is truth in the statement, frequently made, that year by year the public is depending more and more upon the services of others to do things that people formerly did for themselves, the trend cannot be ignored.

Articles, like automobiles, which require expert local service after the sale, are not adapted to mail-order methods. A local dealer is the logical marketing channel. A complicated machine requiring a physical demonstration as a part of the sales presentation is, likewise, ill-suited to mail-order. On the other hand, several large companies are selling complete, ready-built houses by mail. They offer to deliver a home, to be erected on one's own plot by local labor, and promise a very definite saving over any other method, while giving the buyer a wide choice of styles and sizes.

5. *Who can sell by mail order?*—When mail-order business is mentioned, most people seem to think only of such well-known and established houses as Sears, Roebuck & Company, Montgomery Ward & Company, Butler Brothers, etc. As a matter of fact, mail order has been employed successfully by small concerns in many varied lines, even including the small-town retailer who is popularly thought of as only the helpless victim of mail-order competition.

An example of how the smaller merchant is competing with the larger mail-order houses, by following their methods, is seen in Fred Mann, a retailer located at Devil's Lake, North Dakota. He carries

four lines of merchandise—shoes, groceries, men's and women's wearing apparel, and hardware. Some years ago, Mr. Mann opened his retail store on a borrowed capital of $10,000 in a town of 5,000 population. This town has a weekly newspaper with a circulation of 1,100. Eleven years later he did a business of $785,000 in a single year by employing every principle of merchandising that the large mail-order houses employ. First, he built up a mailing list of 10,000 names of all the rural-free-delivery people in his county and several adjoining counties. He sent them a weekly merchandising bulletin on the sales he was offering in his store. He sent the merchandise to them by parcel post after they ordered it through the mails.

Prior to the establishing of this store by Mr. Mann, sales in that community by the large mail-order houses reached a high volume but, by applying the same fundamental principle under which they operated, he reduced this volume more than 75 per cent. The large mail-order houses thrive because they take advantage of the neglected opportunities that belong to the retail merchants.

Garver Brothers, at Strasburg, Ohio, operate a general store in a town of one thousand population and are doing a million dollars' worth of business a year. They have developed this large business by sending their sales bulletins or circulars to a list of the people living in the surrounding counties, getting the orders, and shipping their goods by parcel post.

Mooney Brothers of Temple, Oklahoma, another general store in a small town, also do a million dollars worth of business a year, operating on the same principle as the large mail-order houses.

6. *Mail-order houses.*—Aside from the large mail-order houses and those department stores in the larger cities which conduct a mail-order business, there are hundreds of small concerns doing a direct-by-mail business. These houses are generally houses of "one line," that is, they offer for sale by mail a single unit of merchandise, such as a knife, a game, a compass, etc. Among these are also publishing houses that have one book that they are pushing by mail-order sales. A large manufacturer of printing presses in Meriden, Connecticut, has distributed his product by mail order for nearly half a century. A hardware concern in Toledo, Ohio, has followed the same distributing system for a great many years, selling knives by mail order. Coin and stamp houses are large users of small space in magazines for mail orders. Many of these houses, that are likely to be judged "one-line" houses from the nature of their advertising, carry varied stocks but adhere to the policy of advertising one article, primarily to obtain a list of names for mailing catalog and subsequent advertising literature.

It was the practice in the past for certain houses to obtain selling agents through mail-order advertising. They would advertise, "Send us your name and address and ten cents for a sample of X. Y. Z."

With the sample would be forwarded literature dealing with the selling possibilities of X. Y. Z., and agents would be established thereby. Many firms conducting business along these lines would exchange lists, and compile a directory of names of persons who were likely prospects as agents for house-to-house sales, etc. Thus, if a person mailed his name and address for a sample, it was quite likely that, within a few weeks, he would receive a great mass of literature from different houses in this field. A great many large and reputable mail-order specialty houses advertise a unit as a "leader" merely to obtain names for future catalog and follow-up work.

7. *Instalment sales by mail-order houses.*—Retail mail-order houses are uncovering a vast amount of business through application of the instalment credit system. In the beginning, mail order was necessarily a cash proposition. This worked well enough on the ordinary items, but it shut out the mail-order houses from a big and profitable trade in the larger and more expensive goods.

When an article runs pretty well up into money, the average person will hesitate before buying it for cash. He is going to shop around. Then, by the time he is financially prepared to make the purchase, he may decide that he does not want it, or he may buy it from some house other than the first one he had in mind. But he is likely to go without the article altogether.

Take, for instance, the complete furnishing of a

home. The average cost of fitting out an apartment or a cottage for newlyweds runs into several hundreds of dollars, more money than the ordinary citizen has lying around loose when he gets married. He must either buy his furniture on the instalment plan, or get it bit by bit. In the latter instance, he is likely to scatter his purchases among various retailers or mail-order houses. If this order could be secured at one time it would be worth-while business. The instalment furniture houses in the large cities offer a way out for people living in those cities. But the family out in the small town likes good furniture as well as the one in Chicago. The mail-order houses finally recognized this fact and anybody of good reputation and fair credit standing now can buy his furniture on the instalment plan, regardless of where his habitation may be.

The same principle applies in the purchase of pianos, radios, and similar luxuries. People living in or near cities of any size have long had the privilege of buying these things on the instalment basis. Dealers in these cities have reached out, to some extent, for the country trade within a radius of one hundred or two hundred miles. Not until the mail-order houses took up the instalment business in this line, however, were pianos and radios at the disposal of the rural multitude. The resulting volume of business may be regarded as amazing when viewed from one angle, but it is only natural, after all. Previously, only the surface of the potential market

had been scratched. Now, thanks to mail order, the country-wide demand is being met.

Today, a woman on the farm need not wait until her chicken money or egg money reaches a sum which will enable her to buy a cream separator. She can get it from a mail-order house on credit and pay for it by the month. If the farmer wants farm machinery of any kind, he can buy it on the same basis. The mail-order house will sell him a heating plant, a lighting system, or even a ready-built house, and collect from him in easy payments.

The credit policy of the larger mail-order concerns is very broad and liberal. Some manufacturers also have satisfactory instalment dealings with farmers and others, but are somewhat more exacting in looking up the credit risks.

The instalment method appeals to people of means just as to the poorer classes. The mail-order houses were quick to sense this outlet that had previously been neglected. They are bringing about a new era in instalment selling that is benefiting the entire business of the country. It sells more goods to more people.

8. *Buying advertising by test only.*—Mail order is the only kind of business in which returns from advertising can be accurately checked—the advertiser knows that all his business comes through advertising alone. From the results received, the mail-order advertiser can find out definitely the particular size of space he can most profitably use, and

the appeals that bring the most inquiries or orders. Different sizes of space are experimented with in different publications, and the actual cost per order carefully tabulated for each. The space that brings the best results is then adopted as the standard, and the publications that show profitable returns are used regularly.

9. *Watching results.*—The constantly rising cost of magazine advertising, together with the ever-changing habits of the buying public, and even the changing character of media, make it essential to the advertiser to keep adequate records of his advertising activities, so that he can constantly watch for any change in conditions affecting his results.

Reports on media and copy should be studied periodically to discover any upward or downward swing in advertising costs. Thousands of dollars have been wasted in advertising simply because advertisers have continued to use a particular medium after it had ceased to be a paying one; likewise, many organizations could have increased their profits had they kept in closer touch with their results, and made full use of unusually productive media.

The value of watching results is well illustrated by the experience of the Woman's Institute at Scranton, which has developed valuable records to eliminate much of the guesswork from the selection of media, unit of space, position, and copy. The Institute has established a certain price which it is willing to pay for an inquiry, and a certain per-

centage of orders which must result from those inquiries. If a publication fails to produce inquiries and orders within those figures, it is immediately dropped from the list. If a publication proves successful with a full-page advertisement, the Institute immediately starts testing various other space sizes; it tries the same publication with double spreads, half-page advertisements, or with a number of pieces of copy in different parts of the book.

Practically the same steps are taken with a new piece of copy. It is given a one-time test in the three or four different types of publications on the Institute's list. The copy may prove successful in one type of medium, but fail in another. Gradually, the records indicate in what types of media it will prove most productive and that piece of copy is scheduled accordingly. Mail-order advertisers, when they discover a publication which brings unusually profitable returns, will frequently insert several individual advertisements in different sections of a single issue of that medium.

From the foregoing, the conclusion might be drawn that only mail-order advertisers can and do key their copy. On the contrary, many other national advertisers do the same thing. The practice of keying advertisements is valuable to all advertisers who get inquiries from the final users of the product, or who offer anything in the advertisement—sample or booklet—in order to obtain inquiries from prospects. Only in this way is the advertiser able to

measure the relative productivity of both copy and medium.

The methods for keeping account of keyed advertising vary. One large advertiser gives each issue of a magazine an individual key number and enters the inquiries as fast as received on a card record. This consists of a card for each issue of a magazine. The card shows, in addition to the record of the inquiries and orders, the magazine, issue, cost, title of advertisement, and a number for that advertisement, which is designated the very moment the copy is ready for publication. As inquiries and orders develop, they are entered daily on these record cards.

For purposes of analysis and study, the accumulated totals of those cards are then transferred to a typewritten report at the end of each week. This report takes the following form:

Copy No.	Magazine	Issue	Cost of space	Number inquiries	Cost per inquiry	Number of orders	Cost per order	Per cent of orders to inquiries
28	A	July	$500	600	$0.83	50	$10.00	8
45	A	Aug.	500	420	1.19	55	9.10	13
24	B	June	1000	1200	0.84	204	4.95	17
32	B	Sept.	1000	725	1.38	255	3.84	34
28	B	Oct.	1000	1250	0.80	402	2.49	32

With such a report, it can be readily noted how easy it is for this advertiser to evaluate his media and copy. For instance, the above tabulation indicates that, while publication A is a good inquiry producer, it does not pull inquiries from the proper sort of

prospects, because the conversion into orders is unusually low for this type of product.

The same figures can also be used in analyzing copy. From the above, it would seem that Copy No. 24 should be discontinued. It pulls a large number of inquiries, but it does not bring inquiries of high quality because the percentage turned into orders is much lower than in the case of either of the other two pieces of copy that follow.

When records of this sort are continued over a long period of time, and the results of various insertions in the same magazine are averaged and compared with averages from other media, the advertiser can definitely pick the publications and the copy appeals which bring the most results for the least money.

10. *Building a mail-order catalog.*—The mail-order advertiser's problem in building his catalog is chiefly an individual one. In some lines of business, one catalog will suffice for years, with an occasional change when an article is dropped from the line or a new product added. Such lines are firearms, sporting goods, billiard tables, etc. On the other hand, some mail-order houses issue as many as four catalogs a year and, in addition, special gift catalogs for the Christmas holiday season and at Easter.

The mail-order catalog is virtually a "show-case" for the seller's wares. His own good judgment and his business experience must tell him what to put in his show-case, and how to arrange and proportion the

display. In this decision, he must be guided by season (when more than one catalog is issued yearly), and by the adaptability of his merchandise to the section of the country in which he finds his greatest volume of sales.

The catalog of men's or women's wearing apparel is thus a much simpler proposition than the preparation of a catalog for a general mail-order house that sells everything from darning needles to farm machinery and boats. Some of the questions that confront an advertiser of this type are:

(a) How many different catalogs shall we publish?
  (1) Spring, fall, wearing apparel, agent's samples, etc.
  (2) Number issued of each edition.
  (3) Date of issue of each
(b) Are seasonal or divided catalogs possible?
(c) Make-up of each catalog:
  (1) Stock used: covers, inside pages
  (2) Number of black and white pages
  (3) Number of color pages
  (4) Number of order blanks
  (5) Number of pages devoted to stimulating business and building confidence in house
(d) Cost of each catalog per copy, per page
(e) Cost of preparation of catalog, taking largest fall catalog, for example:
  (1) Editorial preparation
  (2) Art work
  (3) Composition
  (4) Plates
  (5) Printing
  (6) Paper
  (7) Color pages

(8) Half-tones
(9) Covers
(10) Mailing

(f) Relative success of showing many variations on each page of various classes of merchandise, i. e., many or few styles of waists

The catalog must speak the language of the prospective customer. In doing this, it may even be couched in technical terms. A very successful plant nursery catalog lists the offerings by their botanical names. Could anything be less interesting to the layman? But this nurseryman's customers know their botany; he speaks their language.

11. *Goods must be as advertised.*—The successful mail-order house owes a large part of its success to its adherence to a policy of fair dealing and correct representation of merchandise that inspires confidence and goodwill. Mail-order business, like any other business, depends for its success on customer's continuing to do business with the house, and to bring new business by word-of-mouth advertising.

12. *"Dont's" in mail order.*—The mail-order business is a fascinating one. But you cannot play the mail-order "game" as you might a gambling game and have any greater chances of winning. You cannot take a blind plunge into advertising and expect to achieve success. What is demanded in the mail-order business is careful, thoughtful, methodical application of common sense. Homer J. Buckley, head of Buckley, Dement and Company, who ranks

as an authority on direct-mail advertising, lays down in his book, "The Science of Selling by Mail," four fundamental warnings, which are well worth noting:

Don't invest a dollar in advertising until your proposition has been studied and analyzed from every angle, and a "fool proof" selling plan has been devised.

Don't start out on your advertising program to develop inquiries until your follow-up is all prepared and printed and ready for immediate use when the inquiries begin to come in.

Use caution in selecting your advertising media and in the preparation of your printed matter. Make tests—as you go along, to determine whether you are on the right track.

Don't spend all your money the first month—feel your way carefully and hold back a reserve fund, always, to tide you over the introductory period when orders and cash will necessarily come in more slowly than after your business has gained momentum.

REVIEW

Discuss the influence of location upon mail-order business.

Explain how one article may be better adapted than another to mail-order methods.

State some points to be considered when building a mail-order catalog.

Outline a plan for recording and analyzing the results obtained from mail-order advertising; general advertising.

CHAPTER XIII

HOW TO USE SIGNS

1. *Signs and their advantages.*—There are four main kinds of signs:

(a) Small signs, prepared and distributed by advertisers for use inside and outside a dealer's store, usually made of metal, cardboard, various composite materials, or cloth

(b) Painted signs of large size, erected and maintained by reputable outdoor advertising organizations, located on walls, roofs, highways, or railroads

(c) Posters, lithographed on paper and erected on standard-size poster panels, approximately twenty feet long and ten feet high, usually called "billboards" by the uninitiated

(d) Cards, usually eleven by twenty-one inches, placed in surface, elevated, subway, and railway cars

A valuable adjunct, one that adds effectiveness to the rest of the campaign, is the furnishing of store signs to dealers. It is not enough to stock up the dealer with goods and then to use newspapers and periodicals to create among consumers the necessary desire to buy. There is still a wide breach between the goods on the dealer's shelves and the impression made on the prospect by the advertising. To close this breach, the wise advertiser makes sure that there

is a potent reminder in the dealer's store to stimulate the consumer's desire for things he has seen advertised.

The advantage of signs lies in the fact that, if outdoors, they are on duty all the time and, if indoors, all the time the store is open for business. A further advantage of indoor signs is that they are generally doing their advertising within a few feet of the goods themselves or, as it has been generally termed, "at the point of purchase." The tie-up between the impression of the sign and the appeal of the actual package is almost immediate. Another advantage of signs as an advertising medium is that there is wide latitude in the use of space, color, and form. On a sign, an advertiser has the opportunity to use large display, to present his product in its natural colors, and, in some instances, even in its natural form.

2. *Posters.*—The poster provides the emphatic bid for attention in the advertising campaign. It arrests the attention of the prospect. Posters are designed to make a strong but quick impression upon the passer-by. The name of the product is boldly displayed, generally with an attractive illustration, linking the name of the article and its use. Sometimes the brief text will embrace a selling point or two.

People do not stop to read a poster. It must interest and convince while they are passing by. A. F. Osborn, of Buffalo, a nationally recognized authority on advertising, has said that a poster must

deliver its message in seven seconds, or the appeal is lost. Posters usually are used as supplementary media in a national advertising campaign. Sometimes, where periodicals have limited circulation, the poster is almost the only medium that can be used profitably.

Posters are occasionally used as a medium preliminary to periodical advertising. The manufacturers of a new model of an automobile will employ posters to herald the introduction of the car, and use the periodical space to tell about it in detail.

Poster space is sold on a monthly basis, and the display is generally changed monthly. It is customary for the advertiser to furnish the bill-posting company with about 20 per cent more lithographed sheets than will be actually displayed, in order to cover wastage and to provide fresh sheets when old ones are mutilated.

3. *Painted signs.*—An advertiser who invests in posters buys a fixed quantity known as a "showing." Painted signs, on the other hand, are bought on the basis of individual locations selected by the advertiser, usually on a year's contract. One painted sign, strategically located, will do the work of a number of poster locations. When buying a poster showing, the advertiser is obliged to furnish lithographed sheets to be placed on the poster panels, but in buying a painted sign the price he pays includes the cost of painting the sign.

Where poster space is not available, advertisers

When a woman looks at a man

WHAT a way these women have of taking one in at a glance! . . . She had thrown you only one fleeting look, a trifle haughty, but very obviously interested . . . and her smart, little, erect figure had swept quickly past. But somehow you had a feeling that those sparkling eyes had seen directly through you . . . had appraised every article you were wearing. Your shoes were shined. Your cravat was straight. You were wearing your newest Stetson. So . . . why worry! It's comforting to wear a Stetson hat. Its smart lines, the slightly jaunty flare to it, its comfortable feeling of "belonging" . . . all are so characteristically Stetson that no other reminders are necessary of the well-known Stetson traditions. You know, and so does everyone else, that Stetsons have style. Their quality is in a class by itself. With a Stetson you feel confident of passing the inspection of even the most critical eyes . . . male OR female!

• • •

John B. Stetson Company, Philadelphia. Makers of finest quality fur felt hats, straws, leghorns, panamas, silk top hats, opera hats and caps

Stetson Hats

Men are the prospects for men's hats but women undoubtedly have something to do with their buying motives. This advertisement allows for that important fact.

frequently use wall signs. They may even paint the blank walls of their local dealer's stores. This is a heritage from older days, when Carter's Little Liver Pills, Fletcher's Castoria, and other beneficent advertisers could be relied upon by farmers to paint their barns. Dealers often expect national advertisers to paint their store buildings, but the advertiser, not being purely a philanthropist, will take care to make his own wares know to the world. It is a difficult matter for the national advertiser to choose between posters, painted bulletins, and wall signs. Large advertisers employ all three media, choosing one or another to fit local conditions.

4. *Car cards.*—Street-car advertising is generally used to reach prospects in large cities and in thickly populated districts. National advertisers whose products are widely distributed can use signs on the suburban lines to advantage.

The car card is ordinarily used as any other sign. With its bold display and short copy, it is intended to make a brief, strong impression, although it provides the opportunity for more lengthy text than the average poster. This is due to the fact that the reader of the card will probably be within reading range of it for a considerably longer period than will the reader of signs displayed elsewhere. The element of distance that lays certain limitations on other types of signs is largely overcome by the confines of street-car interiors.

To the late Thomas Balmer, of the Street Rail-

ways' Advertising Association, is due in large measure the present recognition of the value of street-car advertising. Before his time, very little copy was used on car cards and such copy ran for an indefinite period without change. Mr. Balmer showed advertisers the possibilities of real selling copy on street-car cards and the advantages of displays in series.

Frequently, advertisers who use cards in the cars and buses also use posters, carrying the same general designs, at the elevated, subway, and railroad stations. Furthermore, they use the car cards for displays, both within the retail stores and in the retailer's windows.

5. *Dealers' use of signs.*—It has been estimated that 75 per cent of the signs sent to dealers are wasted. Two outstanding factors contribute to this waste. One is that manufacturers ship such elaborate and costly window displays that the dealer will not bother to assemble and place them in his window. The other factor in producing waste is that most dealers are in receipt of such great quantities of display material that they lack both the space and the time to give it the display it deserves. The dealer seldom will take time to place a window trim or even tack up a shelf card. Some manufacturers delegate their salesmen to instruct the dealer in the use of signs and window trims. Still others distribute this material through the jobber, who has his salesmen check up on its use. The life of a window trim is

estimated to be not longer than two weeks. Some national advertisers provide displays of dummy packages for use in the dealer's store window and on his shelves. These displays often remain there for months, sometimes even for years.

Many manufacturers who prepare elaborate and costly window trims (especially built-up and mechanical displays) arrange an itinerary for routing the display from one dealer to another. The dates are arranged in advance, either by the salesman or through correspondence. The dealer agrees to empty and clean his windows, and displays for a limited period are thus assured. In some instances, the manufacturer reimburses the dealer for the extra electric current used in lighting the display at night and for operating it, if motor driven.

The *Printers' Ink* publications have carried a number of articles describing the plans of various manufacturers for getting dealers to install window displays. Not so much has been published concerning definite results, in the form of increased sales, traceable to the use of window displays. There are many reasons for the scarcity of accurate statistics. The first is that the window display is of such obvious value that there is no reason for devoting a considerable amount of time to collating result figures. A second reason is that the displays are usually tied up with other forms of printed and personal selling. Occasionally, a window display is the sole piece of printed material employed to increase

sales. Even under these circumstances, the display cannot be given entire credit for all the business done during the time it is installed. The product may have been known before the display was placed in the window. The display may attract a great many orders, and word-of-mouth advertising may be largely responsible for some of the business that follows. It is true that the display was the original selling force, but it cannot claim all the glory. Finally, any number of people are influenced as much by seeing the product on the shelves as by the window display.

The story is told of a jobber's salesman who discovered a cake of Bon Ami and its wrapper in a window of a country store. It had been accidentally left there when the windows were washed the night before. The crude "display" caused the next day's sales to rise from two or three to ten cakes. In one year, more than 7,000 of A. Stein & Company's displays of Paris garters were used by retailers. Careful observation demonstrated that when the local advertising of the company was hooked up directly to the store by means of these window displays, the business in Paris garters increased all the way from 50 to 200 per cent.

E. R. Squibb & Sons prepared a special window display, which showed a medicine cabinet containing twelve Squibb products. Before ordering the displays in large quantities, Squibb wanted to determine accurately whether they would be a profitable

investment. With this in view, the company selected ten New York drug stores. The proprietors of these stores were asked to keep tabs on sales before the display was put in and after it was installed. The result was that the sales of the twelve Squibb products in these stores increased from 50 to 150 per cent. The average increase was 100 per cent. The increased sales of all Squibb products, traceable to the display of the twelve which had been specially featured, was from 25 to 150 per cent. The average increase was 38 per cent. The proof of window display value is to be found in its use. The fact that manufacturers, as a group, exert every effort to secure window displays for their product is proof enough that the window display is a practical selling medium.

6. *National sales weeks.*—It is not uncommon for many advertisers so to arrange their campaigns that they reach a climax at a previously announced time, and to prepare elaborate window trims and other helps for dealers during that period. A good example of this practice is that of "Squibb Week," the first being held in 1922, and followed successfully in succeeding years. E. R. Squibb & Sons prepared plans for the running of a teaser advertising campaign in magazines, which ran for twelve weeks prior to "Squibb Week." In addition, they advertised in newspapers during the "Week" itself.

The trade was authorized to make special concessions, so that the druggists were in a position to offer

one or more of Squibb's products free, with every dollar purchase of Squibb's medicine cabinet requisites. This stimulated the interest of the drug trade in the sale of Squibb products. The national advertising was linked up with window and counter displays, which were furnished to the dealers by the manufacturers. The Squibb dealer-display program was the most elaborate and complete ever attempted by the company.

In 1925 the method of introducing Squibb products to new users through "Squibb Week" was outlined to the druggist in *The Squibb Message,* the company's monthly house organ, and it was announced to the consumer in the issues of the big national magazines. The proposition was presented to the dealer as follows:

SQUIBB WEEK

October 24th to 31st. During that week progressive drug stores everywhere will display Squibb household products.

Naturally, the consumer will wonder why it will be to his advantage to replenish his stock of household products during the week of October 24th to 31st, and all eyes will be turned toward the drug store. The following plan places the druggist in a position to take advantage of the attention, so directed to his store by Squibb Week, in a way that will result in substantial and profitable business for him.

The Squibb plan for Squibb Week enables a druggist to give a full size fifty-cent box of Squibb's Aspirin Tablets free with every fifty-cent purchase of Squibb products. It means that the consumer, instead of coming into the

store and making, say, a fifteen-cent purchase will buy those household products which should be in every medicine cabinet, in order to secure the package of Aspirin free of charge.

Having once tried Squibb household products and learned of their superiority, the consumer will continue to buy them and other quality goods from your store.

Every detail of the campaign was worked out in a way to assure the druggist the greatest benefit from the Squibb announcements in the national publications. A new special offer was arranged on Squibb household products. With that special offer, elaborate window display material was furnished so that the druggist could decorate his window, calling attention to "Squibb Week" and to the fact that he was giving a package of Squibb's Aspirin free with every fifty-cent purchase. Folders, too, were provided which the druggist could mail to his customers, urging them to take advantage of "Squibb Week" in his store. Electrotypes, announcing "Squibb Week," were also prepared for the use of the druggist in his local newspapers.

There were a number of interesting phases about the "Week" not mentioned above. The package of Aspirin tablets given free with every fifty-cent purchase not only was an inducement to the customer to buy other products of the company's manufacture, but served, itself, as a sample of a new Squibb product. This product had been on the market for only a short time, and "Squibb Week" offered an exceptional opportunity to introduce it.

While the "week" campaign, staged by a single manufacturer, is not likely to be successful as a general rule, there are exceptions, and the Squibb campaign furnished an excellent illustration of the use of signs in connection with such special drives.

7. *Counter displays.*—A popular form of dealer signs is the counter display. Manufacturers of small articles that find a ready sale in grocery, drug, furniture, hardware stores, etc., find the "silent salesman" counter display, as it is generally called, particularly advantageous. This form of counter display is usually a card, easel-mounted, containing anywhere from six to two dozen of the articles attached so as to be readily detached either by the customer or the salesman behind the counter. Dealers are generally quite willing to give counter space to such displays, inasmuch as sales are practically automatic. The card-mounting generally contains enough copy in addition to the article itself to present the main features of the article. Many novelties are introduced to the public by this method.

Dealers prefer counter displays showing the goods themselves, rather than signs that merely tell about the goods. This is especially true of a display that permits the customer to pick up and examine the article displayed. The manufacturers of paints, varnishes, and enamels have found great value in the counter display that exhibits small blocks of wood treated with their various products. Such displays not only enable the customer to visualize the effect

of the finished product, but also expedite his choice of paints, etc.

In displaying certain small wares, counter displays are of great importance. Articles of this type are likely to be hidden in an out-of-the-way place unless the manufacturer furnishes a sufficiently attractive display rack. Many cleverly designed counter displays are working models in miniature. Door checks, screen-door closers, window latches, and burglar alarms are a few of the displays thus shown, which enable the prospect to examine them and test the mechanism.

8. *Getting the dealer to pay for display material.* —There is a large number of manufacturers who are succeeding in charging their dealers for at least some of the advertising helps which they send to them. However, it is not possible to charge retailers for all the "helps" that may be offered, nor can all manufacturers succeed in billing the merchant for this material. It all depends on the line. The practice of making the dealer share the cost of store advertising matter has worked out best in the men's clothing, automotive equipment, and electrical appliances fields, with an occasional manufacturer in other lines following a similar plan. A study must be made of the situation in each field.

If the line is a large enough factor in the retailer's business, if it offers him a chance to make real money in selling it, he will be disposed to listen to a proposal that he pay something for the display. That is why

the manufacturers of trade-marked clothing are so successful in getting their dealers to pay part of the cost of their store helps. Seventy-five per cent of the retailer's total business may be in one or two brands of clothes. Whatever success he has achieved, he owes to the merit and ready salability of these clothes. If only for selfish reasons, he should be willing to pay for advertising a line that is bringing him his bread and butter, and perhaps his pie and turkey, too. The same thing is true of the automobile dealer. If he is at all intelligent, he can see that there is a connection between his own success and the advertising which is being given the car he is handling.

This principle is so widely recognized that several manufacturers not only charge the dealer for helps, but also for part or all of the newspaper and other local advertising done in his territory. This is usually worked out on some arbitrary basis, the dealer contributing toward the advertising fund five dollars, or some such amount, for every car that is shipped to him.

Several experiments have been conducted which seem to prove that the dealer responds better to an offer of advertising help if a charge is made for the proffered helps. Some time ago, one of the automobile manufacturers made up several hundred sets of lantern slides. These were offered free to a selected list of dealers, with no appreciable results. Then a small charge was placed on each set, with the

result that the dealers began to accept the offer liberally. The charge seemed immediately to place the stamp of desirability on the proposition, confirming the old truism that what is free is not valued.

These plans worked out in lines where the dealer's business on the product runs up into thousands of dollars a year. On a hotly competitive article, such as tooth paste, on which the small dealer's sales of any one brand would amount to only a few dollars annually, it would not be possible to get him to make much of an investment in helps.

In order to help dealers establish a record for one year in the sale of Delco Light products, the Delco Light Company organized a special direct-by-mail department in its factory. This was done for the express purpose of mailing literature to 200,000 Delco Light prospects during the year. The object of the campaign was to help dealers turn these prospects into customers. Five pieces of literature were sent, direct from the factory, to each one of the 200,000 prospects.

The dealer's part in the campaign was very simple. Each month the Delco Company sent him a folder containing ten prospect cards. When these cards were filled out, each contained a complete record of a prospect's status. One side of the card carried spaces for the name and address; and the reverse side, for specific information regarding the prospect, such as kind of farm, number of acres, children, their ages, how washing is done, by whom, number of milch

cows, cream separators, hand-operated machinery, tractor, automobile, number of hens, water supply, wells (deep or shallow), distance of well from house, and date of demonstration.

Dealers were asked to fill out these cards as completely as possible and return them to the factory at once. Each one of the ten names was supposedly a likely prospect, one who would be immediately influenced, in the dealer's opinion, in favor of Delco Light by the five-piece campaign. As soon as the cards were received by the factory, the first folder was mailed to each prospect, the others being sent at intervals of one week. For this service, dealers were asked to pay the postage, amounting to five cents for each prospect; and, since the dealers furnished only ten names a month, the monthly cost to them was but fifty cents.

The advertising managers of six leading companies engaged in manufacturing electrical goods happened to meet in New York recently, after having attended the sessions of an organization of which they are members. They fell to discussing dealer helps and wondered how much each was paying for this branch of his advertising activities.

"Let's each write the amount secretly on a slip of paper," suggested one. "Then we can put the slips in a hat, shuffle them about, and know the whole amount without getting too deep in particulars."

This was done. To the surprise of all, the six found that their companies had together spent more

than $1,400,000 in the preceding year in dealer helps —helps that not only were given the dealer, but were almost forced upon him.

"And the tragedy of it," one manager said, "is that fully 75 per cent of this huge amount is money wasted."

Whereupon the six made a solemn vow that, beginning with the next year, their dealers would have to pay for service matter, window cut-outs, signs, displays, display fixtures, direct-by-mail material, and the like.

This is an exceedingly vexatious problem that the individual manufacturer must work out for himself. Sometimes it is advisable to make the dealer pay and sometimes it is not. Generally speaking, however, it is advisable—not because of the reduction in expense made possible thereby in the service department, but because of its effect in causing the dealer to use the material. When he buys a thing, he is not so likely to add it to the junk pile already in his basement, or to stuff it into his furnace.

It is human nature for a dealer not to appreciate fully what is given to him free, and often without any solicitation on his part. To get him to value it properly, dealer helps, of whatever nature, should be more or less "difficult" for him to get.

It is all an adaptation of the tried and true principle that no good thing in life, not even excluding money, is fully appreciated unless it is earned or paid for.

REVIEW

Outline the advantages of signs as advertising media.

Compare street-car cards with other types of signs with respect to the detail in which the advertiser's message can be told.

Describe various methods of getting dealers to use signs that are sent to them.

Describe different kinds of counter displays and discuss their relative advantages.

Discuss the question: Shall the dealer be asked to pay for a part of the advertising material furnished to him?

CHAPTER XIV

RADIO BROADCASTING

1. *The place of radio in the campaign plan.*—One day a well-known conductor of radio orchestras was rehearsing his men in a studio. Suddenly he rapped for silence, stopped the rehearsal, and pointing his baton at a cellist who was not following the printed score, exclaimed, "Don't compose!" That is sound advice, also, for anyone taking up radio advertising for the first time. Because this medium, the first new one in many years, is the youngest of the lot, we do not know as much about it as we do about the others. That is true enough, yet radio is being used by a multitude of advertisers practically twelve hours out of every twenty-four, and their experiences and findings are being passed along to the rest of us. The time has passed when radio need be used in the haphazard, hit-or-miss manner of its early days.

In 1923, the American Telephone and Telegraph Company created this new advertising medium by offering advertisers the privilege of broadcasting for ten minutes over its radio station, WEAF, in New York City. The cost was $100.

That started it. In 1929, one hundred and fifty advertisers used the national radio "net-works" or

systems, and, in addition, several thousands of "local" broadcasts were on the air. The revenue was $19,000,000 to the "networks," and several millions more to the local stations.

All this money spent by advertisers to entertain the American public! It was Dr. Walter Damrosch who explained, in opening a well-known series of radio programs, that it is most appropriate for great business institutions to sponsor radio programs. He pointed out that, in medieval days, the impecunious musician and composer found shelter and sustenance at the courts of the lordly princes. In return for this generous patronage, many of the early masterpieces of music were composed. Today, many of our modern musicians, writers, and actors are buying country homes and sending their children to college with the money earned by furnishing the entertainment background for this new form of spoken advertising—advertising that reaches the mind through the ear instead of the eye.

Since radio advertising is an accepted medium, the pertinent questions for our consideration are, who should use it, how should they use it, and when? One member of a large agency, which has worked with radio almost from the beginning, gives the following answer:

> Except in rare cases, only those advertisers who are doing a good job in the more basic forms of advertising are ready to consider radio. Radio is a supplementary form of advertising. Some have used it successfully as a basic form,

but not many. That is because radio does its best job when it has been asked to register a name, put over a simple idea or two, create interest in a new product, or arouse new interest in an old one with some news about it. Hard selling via radio is seldom consistently successful. Radio is purely a supplementary advertising medium and should be considered as such.

An advertiser whose product is of wide popular interest has a much greater chance of radio success than does the advertiser whose wares appeal only to a limited group. Radio is the least selective of all advertising media. That is why manufacturers of food products, clothing, automobiles, beauty products, gasoline, etc., have more success with radio than makers of fishing tackle, scientific books, engineering instruments, or parachutes. There is too much waste circulation to make radio profitable for the latter groups.

2. *First steps in radio advertising.*—The establishment of a budget that does not cripple other basic forms of advertising that have proved successful in the past, and the selection of a network that parallels distribution, are the first steps in "going on the air." Some advertisers have been known to turn to radio because someone furnished them with a good idea for a program. That is like a manufacturer who decides to advertise because he is shown a piece of copy and a layout that look interesting. No program idea, alone, should ever tempt an advertiser to use radio. His whole advertising and sales structure must be ready for it, and his radio program must be

made to fit in its proper place in the complete picture.

If possible, the advertiser's selling theme should carry a reflection in his broadcasting. The same people who prepare copy for other forms of advertising should have a hand in the preparation of scripts that are read by the announcer. It is often wise to have the program itself reflect, in a measure, the nature of the advertiser's business and the policies which he wishes to emphasize or omit. In fact, his radio program should be conceived as thoughtfully, be prepared as expertly, and merchandised as thoroughly, as any other advertising effort.

To summarize, broadcast advertising should win for the product a good measure of that invaluable commodity known as "consumer acceptance." Radio should stimulate goodwill for such a product, arouse new interest in it, promote dealer coöperation, and help insure a cordial reception for salesmen. It should increase the value of publication advertising by drawing friendly attention to it. It should bolster the morale of a manufacturer's personnel because it is still new and exciting.

3. *Approximate circulation of a broadcast advertisement.*—An advertising broadcaster should secure as definite an idea as possible of the size of his audience. Let us note some factors which enter into this computation.

It is claimed that there are over twelve million radio receiving sets in the United States but, it is

better, for conservative estimating, to put the figure at nine million sets, ready and capable of good reception. The average owner of a radio set, it is estimated, uses it 2½ hours a day, or a total of 850 hours a year, although this number has been considered by some as being too conservative. One survey indicated that there are 4.4 listeners to a set, but it is felt that any figure in excess of three listeners to a set is high. The day has passed when the whole family, and its non-set-owning relatives and neighbors, gathered about the radio. Assuming 9,000,000 active receiving sets as a basis, and three listeners to a set, we get a gross total audience of 27,000,000 persons.

The field of radio is really dominated by a small number of stations. For example, in the New York area, there are thirty-four stations selling time, yet four large stations control 99 per cent of the attention.

Interference is a factor that reduces the effectiveness of a station. The Federal Radio Commission has done a great deal to clear up the channels. Since its appointment, the number of stations operating simultaneously on the air, during the night hours, has been reduced from 750 to 165.

The range of some radio stations and the size of the audience are sometimes exaggerated. Occasionally, a small station claims a daylight range of 500 miles, and national coverage during the evening hours. There are, of course, the "freaks" in broad-

casting. Sometimes a low-powered station is picked up clear across the continent or in a foreign country, but this is due to temporary conditions in the ether.

At one time, the effective range of a station was thought to be circular in shape. Enough information is now available to prove that the range is very irregular. It often extends out in lanes, some of which are many times longer than others. "Fan" mail from listeners furnishes the evidence for this statement.

Power is also a guide to range. Stations vary in power from 5 watts to 50,000 watts. Only 63 of the 626 licensed broadcasting stations (about 10 per cent) use 5,000 watts or more. Edgar Felix, an authority on radio broadcasting, calculates that the 5-watt station has a minimum effective range of one mile, over urban areas, with a normal effective range of three miles; a minimum effective range, in rural areas, of five miles, with a normal effective range (without competition from nearer stations) of ten miles. The 50,000-watt station increases these ranges to 90 miles, 135 miles, 225 miles, and 360 miles, respectively.

Other factors, of even greater importance than power, must be considered when ascertaining the size of the audience of any station, including its popularity, the attractiveness of its programs, blind spots, fading, efficiency of transmitters, and absorption. Static and bad weather conditions greatly cut into the size of audiences, so that the broadcaster, depend-

ing on clear weather, frequently finds his program carrying only to city and suburbs. An average of good and bad conditions is needed for circulation estimates.

4. *When do people listen-in?*—The scheduling of time is one of the broadcaster's greatest problems. Surveys relative to seasonal differences have not been extensive enough to give even approximate figures. There is less advertising broadcasting in summer than in winter, and it is quite possible that the summer audience is slightly decreased, although conclusive evidence on this point is lacking.

Between the hours of eight and ten in the evening, the larger proportion of the audience listens in. Mid-evening programs in an Eastern studio are afternoon programs on the Pacific Coast, particularly with daylight-saving time. It is obvious that few country-wide "hook-ups" can achieve the maximum circulation.

Farmers listen in during the day in fairly large numbers, especially between noon and two in the afternoon, but are not at their sets late in the evening. Very few farm families listen to the radio before noon, and not much interest exists in the afternoon. The largest farm audience is on the air at 8:30 p.m. Housewives prefer the hours from 10 to 11 a.m., and from 1 to 4 p.m., to listen to daytime programs. The early morning hours have been used with great success in connection with setting-up exercises. Department stores have made a paying

eature of broadcasting at 9 a.m. their news about pecial sales.

5. *Flexibility of broadcasting advertising.*—Broadast advertising is a medium of unusual flexiility with respect to physical coverage, control of he time element, and selection of the audience. It s possible to broadcast a program for the North Eastern industrial states alone, or for the Middle West and South alone, or for the Pacific Coast alone. The advertiser can thus reach any particular section of the country desired.

Broadcasting makes it possible to advertise at the nost auspicious time and under the most auspicious onditions. For example, when the housewife is in er kitchen, active in her household tasks, the radio rings to her attention a cake flour, or a laundry oap, or a labor-saving device. The sales message ould not come at a more opportune time.

Broadcast advertising provides both a class and mass medium, depending on the time of day it is sed. Many people regard broadcasting as a living hysical culture magazine. The busy housewife reards it as an oral housekeeping magazine. During is mid-day rest period, the farmer relaxes and hears he crop reports. On week-day afternoons the radio gain becomes a woman's magazine, depicting fashon. In the late afternoon, when the children come ome from school, broadcasting has its juvenile audince, which stays with it until early evening. Then ollows the true "family" audience. Sunday after-

noon, except in the hot summer months, is representative of the entire family group.

Independent of the time element, it is possible to select an audience, within certain broad limits, by a skillful choice of programs.

6. *Local and national broadcasting.*—Department stores and other enterprises, the appeal of whose service is purely local, find that a program of broadcast advertising, which utilizes the local station, is a logical and effective method of advertising.

When a product or service becomes national or semi-national in its distribution, a different problem arises. The purchase of the time of several stations necessitates several groups of entertainers. "Network" broadcasting has become an opportune factor in relieving national broadcasting of this complication. The "networks" are groups of individual stations operating together, though not under centralized ownership and executive management. The program is enacted or played by artists and musicians in a central studio, and is transmitted by telephone wires to broadcasting stations in various parts of the country.

One method of surmounting the difficulties of national broadcast advertising is to make phonograph records of a broadcast advertising program, and send copies of the record to broadcasting stations in the territories to be reached. The possible advantages of this new form are receiving serious attention.

7. *Rates.*—The radio-advertising rate book gives

data on rates, "coverage," and listener appeal of the two leading broadcasting chains, and of some 300 of the broadcasting stations. The advertising rate of the National Broadcasting Company's "Red" network, comprising 21 basic stations, is $4,890 an hour during the evening hours. The rate of the entire "Red" network on a nation-wide service basis, covering 49 cities, is $10,560 an hour. The "Blue" basic network of the National Broadcasting Company, with 13 stations, sells time for $3,540 an hour, and the entire "Blue" on a nation-wide basis, covering 41 cities, charges $9,210 an hour.

The rate of the Columbia Broadcasting system is $4,715 an hour, for a network covering 20 cities. Use of its coast-to-coast network of 49 stations, covering 62 cities, is available for $13,130 an hour. Discounts for sustained contracts are given by both these broadcasting systems. The highest advertising rate for an independent station is charged by Station WLW, of Cincinnati, at $1,080 an hour.

These rates do not include talent, which may vary in cost from nothing to several hundred per cent of the rate. Cost of talent is based on "appearance" rather than on time. It is reported that Paul Whiteman receives $5,000 for an appearance of his dance orchestra. A well-known orchestra can be obtained for from $24 to $30 a man, which includes necessary rehearsals. Artists of national reputation, such as Will Rogers and Al Jolson, demand as much as $10,000 for one appearance, while stage celebrities

of minor reputation may be had for as low as $250. Operatic stars receive from $750 to $6,000 per appearance.

While the normal percentage of money spent in radio advertising to total advertising has been estimated at about 3 per cent, it has also been estimated that of those advertisers who use radio about 20 per cent of their total appropriation is devoted to this form of advertising, with individual cases ranging all the way from 1 per cent to 60 per cent.

8. *Who should direct the radio campaign?*—Once the budget is set, the network chosen, and the program idea approved, the individual programs and all relating detail should be handled entirely by men and women who know how to direct them because they have had actual experience with them. Radio campaigns may be prepared and executed by a department of the advertising company, by a service bureau, by a broadcasting station, or by an advertising agency.

The company department, if it should be operating unaided, is unlikely to have expert help. It may lack sense of showmanship and technique, and may not know how to hire talent. In short, it may lack result-getting experience.

The service bureau may place too much emphasis on hiring talent. It may be ignorant of advertising problems. The broadcasting station having a program or continuity department, or a concert bureau, is admirably equipped to build a program, but it may

lack understanding of the specific advertising problem, nor can it be expected to make detailed studies of specific advertising needs.

At the present time, an experienced advertising agency is less likely to suffer from any of these defects. It knows the ropes of broadcasting, understands advertising and its client's particular problems, and knows how to tie in the broadcasting with the rest of the sales and advertising plan. Since it may be indifferent as to whether its client's appropriation be spent in radio or in other media, it has no inclination toward special pleading. It may even question the advisability of broadcasting. The advertising agency, therefore, providing it is equipped with a good radio bureau, as several of the larger ones now are, is generally considered to be best fitted to handle the advertiser's radio program.

The actual services of the advertising agency, the concert or service bureau, or the broadcasting station, are much the same, regardless of which agency is chosen to conduct the radio campaign. Keeping in constant touch with the advertiser, they prepare the announcer's script, hire the talent, rehearse the show, and put it on the air. They arrange for networks, deal with individual stations, watch rates and handle mail, check coverage and size of audiences, handle publicity releases to the newspapers, check billings, and see to it that the program is merchandised to the trade.

9. *Making the program.*—In radio, the point of

contact with the prospect is not a picture or a catch-line, but the performance itself. The first consideration is to please the particular audience which the advertiser seeks to reach. Careful studies of the preferences of listeners-at-large have developed conclusions as to the popular ranking of classical music, dramatics, travelogues, dance music, etc.

The second consideration is to fit the performance to the product being advertised—"snappy" dance music for ginger ale, dramatics for a fiction magazine, travel sketches for railroad transportation and gasoline, local history for a local distributor. Classical music is used to select high-income listeners; a report of a prize fight tends to select haberdashery prospects; business data tends to select investment prospects.

10. *Results of advertising by radio.*—Barring exceptional instances of large direct sales made by broadcasting, the most self-evident check-ups on advertising by radio are "fan" mail and inquiries from listeners. "Fan" mail, or applause, may be a fair indication of approval of the performance, but its relation to advertising effectiveness is conjectural. Inquiries lured by gifts, prove little; unsolicited, they may have relation to sales; they bear no known relation to periodical advertising inquiries.

The field survey can reveal the significance of individual reactions. Broad comparisons of sales by periods, or by territories, are the most satisfactory measures of radio effectiveness.

The extent to which advertisers are satisfied with results is indicated by the extent to which they have tried radio and abandoned it, or tried radio and continued to use it. In this respect, radio seems to be on even terms with other media. Expressions of approval by advertisers are numerous, but not always accurate. The new medium has had to justify itself, and its users have apparently felt, in some instances, that they had to rationalize their use of it.

A questionnaire mailed to thirty-five prominent users of broadcast advertising brought twenty-one replies to the question, "Can you trace increased sales to radio advertising?" Sixteen answered, "yes"; two answered, "no"; three answered, "Don't know."

11. *The future of advertising by radio.*—The rapidity of radio development implies rapid change. Exact knowledge of the medium is increasing. To the insider, innumerable current trends indicate the direction of many changes.

Domestic broadcasting is now taken for granted. Foreign broadcasting has incalculable possibilities in store for foreign advertising and trade, and for foreign relations in general. As an indication, we may quote the words of former Premier Baldwin, in an address delivered in London:

> I believe that wireless, common or garden wireless, will be one of the greatest bonds between the common peoples of the whole world. We, in England, used to regard every one who lived across the seas as savages. Now, when most people realize that, in whatever country of Europe man lives, he is a being like themselves, with a wireless set, with

service on Sunday, and dancing in the evening, and lectures, then war presents a very different aspect.

REVIEW

Discuss the uses and limitations of radio as an advertising medium.

Explain the method of computing the approximate circulation of a broadcast advertisement. List the factors that must be considered.

Show that radio is both a class and a mass advertising medium.

Compare the advantages and disadvantages of giving the preparation of a radio broadcast to: (a) an advertising agency; (b) a broadcasting station; (c) the regular advertising department of the business.

CHAPTER XV

RETAILERS' CAMPAIGNS

1. *Media used by retailers.*—The term, "retailer," refers to the merchant who sells an article direct to the user. The peddler who sells from door to door, the pushcart merchant, the small-town general store, the department stores, and the mail-order establishments are all retailers. Two retailers in the same line may employ entirely different advertising methods and both obtain satisfactory results. While a manufacturer attempts to reach his prospects in a comparatively large area, the retailer directs his selling efforts in a much more restricted sphere.

Retail advertising is not confined solely to direct-mail and newspaper advertising. It embraces store signs, the store front, the window display, and any inducement which is intended to promote sales. In later years, it has become a common practice among large department stores to provide varied forms of entertainment to lead visitors to their establishments. These embrace a wide range of diversions, musical and theatrical programs, art exhibitions, illustrated lectures, etc., yet they can all be rightly classified as advertising. A store in New York City, located on Fifth Avenue, where parking is forbidden, offers

garage accommodations for its customers' cars. In the garage, a chauffeurs' restroom provides reading matter and a radio for their entertainment. For those who drive their own cars, the store provides, free of charge, a driver to take the car from the store to the garage and to bring it back again when needed.

2. *Signs.*—The retail store employs the use of signs in a variety of ways. The small retailer uses the traditional "shingle" with his name, generally supplemented with the announcement of the line of merchandise he sells, thus:

ERICKSON & HANSON

PAINTS, OILS AND VARNISHES

If the house has a slogan, it is generally presented on the outside sign or on the windows, as:

BIRD & WINSLOW

"THE HOUSE OF A THOUSAND BARGAINS"

The large chain stores adopt a uniform color for store fronts, signs, and general exterior. It is an easy matter for the average person to identify, even at a distance, a Woolworth, Atlantic & Pacific, United Cigar, or Schulte store by the color of the front or the signs.

Inside signs usually advertise specific products and are furnished by the manufacturers of the products.

These signs range in character and quality from paper posters to handsome and costly permanent displays of wood, cloth, glass, and metal. Frequently, they are electrically operated "flashers" and mechanical motion displays, depending upon the size of the store, and upon its volume of business with the manufacturer who supplies the signs.

In the large city department stores, a card writer and a staff of assistants are kept busy preparing special signs for the offerings of the various departments.

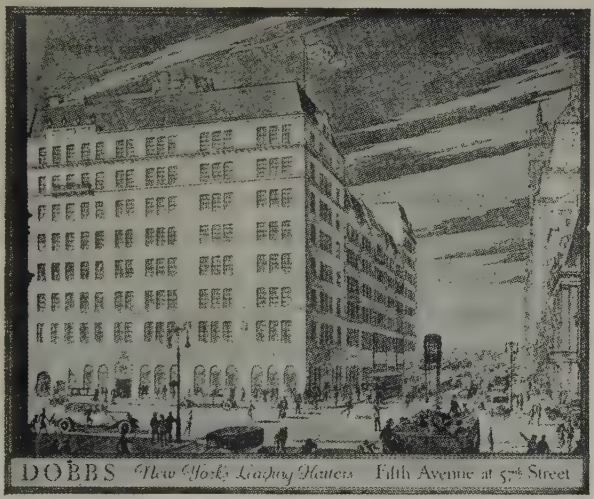
3. *Windows.*—A retailer's show windows are of inestimable value as an advertising medium. First, they advertise his wares to every passer-by. The more populous the neighborhood, the larger their circulation. The retailer can present his advertising message in his show windows twenty-four hours a day. He presents the actual goods, which carry a greater sales argument, unless the merchandise requires explanation or demonstration, than any amount of description or illustration could convey. He can change his display (his copy) as often as he wishes. The pulling power of his window displays is limited only by his location and the ingenuity of his window dresser. Furthermore, he is constantly in receipt of good advertising material from the manufacturers whose merchandise he sells, and a judicious use of this, coupled with his own signs, gives him the opportunity of presenting forceful, direct advertising messages to the people in his neighborhood.

Business organizations that sell a service, rather than merchandise, have lately recognized the value of windows. Banks and trust companies now use frequent changes of poster copy to encourage thrift, the forming of Christmas clubs, etc. Gas and electric companies use their windows to demonstrate gas ranges, washing machines, vacuum cleaners, electric irons, and many other things that increase the use of the service in the home, office, or factory. Railroad ticket offices present interesting window displays that vary from a pictured presentation of the territory traversed by the lines to an exhibition of farm products from the states reached by the road. Even game and fish have been used as window displays to lure the vacationist to resorts along the line of the railroad or steamship company.

4. *Catalogs and house organs.*—The large retailer with several establishments can use catalogs or house organs profitably. Obviously, the small retailer cannot undertake such costly advertising, but he can avail himself of the services of several companies which supply stock material of this character, in the form of monthly mailing pieces, imprinted with the dealer's name and address. The retailer is also in constant receipt of advertising material from manufacturers, such as calendars, blotters, folders, and booklets, that he can use in his mail or place on his counters.

5. *Newspapers.*—Newspaper advertising is the life blood of local trade because it touches all sections in

The New Dobbs Building Opens Tomorrow



ON THE site of the famous Vanderbilt Chateau, one of New York's most highly prized landmarks, stands the new Dobbs Building which tomorrow opens its doors with a cordial invitation to all those who appreciate and love the beautiful and appropriate in apparel for men and women.

It was inevitable that the march of fashion's shopping center should eventually reach the corner where stood the stately mansion which reproduced the architectural beauty of the royal country houses of France. The regret at the passing of this masterpiece is tempered by the appearance on its site of the white marble Dobbs Building with the dignity and artistic reserve which distinguishes it as one of the finest of America's business structures.

Dobbs *Hats for Men*
Dobbs *Hats for Women*
Dobbs *Wearables for Men*
Dobbs *Dresses for Every Occasion*
Dobbs *Coats and Suits for Women*
Dobbs *Riding Habits for Women*
Dobbs *Furs for Women*
Dobbs *Hosiery for Women*
Dobbs *Gloves for Men and Women*
Dobbs *Lingerie for Women*
Dobbs *Leather Goods*
Dobbs *Jewelry for Women*
Dobbs *Novelties for Women*
Dobbs *Clothing for Men*
Dobbs *Golf Shop, Accessories and Practice Nets*

SPECIAL DEPARTMENTS FOR DOBBS WOMEN'S DRESSES, SUITS, COATS, RIDING HABITS AND FURS MADE TO ORDER

DOBBS
FIFTH AVE. at 57th ST.

FROM the fascinating elegance of the Fifth Avenue entresol, and the dignified entrance at Fifty-Seventh Street; throughout the many shops which make up this wonderful establishment, the fine spirit of its predecessor has been carried on with the result that New Yorkers may well be proud of this newest of the palatial business houses of the Metropolis.

Here will be found the merchandise which has made Dobbs famous for good taste and high quality, and there are many new departments to delight the men and women who prefer to make selections from Dobbs assortments. Important innovations include exceptional facilities for tailoring to order exclusive materials and modes in Dresses, Suits, Coats and Furs.

THE DOBBS BUILDING WILL ALSO BE OPEN FOR INSPECTION EVERY EVENING THIS WEEK FROM SEVEN TO TEN O'CLOCK. ADMISSION WILL BE BY CARD OBTAINABLE AT ANY DOBBS SHOP, OR BY MAIL. NO MERCHANDISE WILL BE SOLD ON THESE EVENINGS. TELEPHONE PLAZA 2380 FOR ALL SHOPS.

A newspaper advertisement of Dobbs. (Harvard Advertising Award.)

every community. It gives all local retailers the same opportunity for a complete appeal to consumers. This statement in itself explains why the small neighborhood retailer cannot use newspaper advertising to advantage. He cannot do so because both his actual and his prospective trade are localized within a short radius of the store's location. The large stores draw their patronage from all over the city and its environs; therefore, they can profitably use the circulation of the city newspaper. Some department stores in large cities have found it advantageous to advertise in the newspapers of towns within the trading radii of their establishments. In the very large cities, there are sometimes found community newspapers which circulate in certain wards or localities and which the local retailer can use advantageously.

As a general rule, the proprietor of a small-town retail store does not indulge in advertising. He takes the stand that he is so well known by his townspeople and so remote from any vigorous competition that advertising is unnecessary. This is shortsighted business policy, for being known to his trade does not obviate the necessity of reminding his trade of what he has to sell. The following story illustrates this point.

The advance agent of a circus came to town and sought out the owner of the main store, offering him the space for advertising on the sides of the elephant's canopy.

"Why should I advertise?" asked the dealer. "I have been in this town for twenty years and everybody, the country round, knows me."

The advance agent turned around and, pointing out the door to the church in the square beyond, asked, "How long has that church been standing there?"

"Oh, about a hundred years," said the dealer.

"And yet," said the advance agent, "they toll the bell every Sunday to notify the people in this town, and all along the countryside that the church is here and is open for prayer."

Many dealers feel that, simply because they have been in the one community for a long period, everyone knows them. The wise merchant, the one who is usually successful and builds up a big business, is the one who keeps his name and his wares before his customers all the time. He realizes, moreover, that his customers are changing.

No excellence of goods or service can bring the retailer's enterprise and his wares to the active attention of so large an interested circle as can be reached through advertising of the right sort.

Some retailers in the large cities advertise only at certain seasons of the year. One will see the advertisements of retail jewelers in the newspapers only during the Christmas holiday season, at Easter time, and during the "June-bride" and graduation seasons. A hardware dealer will run special seasonal advertisements for ice skates during the winter, for oil

stoves in the fall, garden tools in the spring, but he will neglect the opportunity to build business by running regular institutional advertising.

6. *Department store advertising.*—The department store is essentially a big-city institution. It is practically an aggregation of a number of retail stores under one roof. Its advertising is limited in its appeal to the city and its surrounding territory. In this respect, the department store is like other retail stores in being a local advertiser. On the other hand, its trade is not strictly a neighborhood trade, and it is not restricted in its advertising by this consideration. In the larger cities having adequate transit facilities, people will travel many miles to patronize certain stores, and these establishments advertise accordingly. Many of the large department stores also maintain mail-order departments.

7. *Chain-store advertising.*—Statistics show that the independent retailers still hold 61 per cent of the business of the country. The chain stores do about 18 per cent, although they are the only type of distributor that is growing faster than the population. As a matter of fact, it is little understood, generally, how many so-called independent retailers are really chain-store owners. We conceive of a chain store as an A. & P. store or some other familiar large-scale chain, but we forget that alert retailers are making chains of their own—small, it is true, but still chains. In the grocery field, alone, there are about 1,000 "chains," that is, organizations having three or more

stores. In the drug field, there are 600 chain organizations that have three or more stores. Up to the present, chain stores have done little national advertising, with the exception of a few of the larger ones, and even their advertising has been of a sporadic nature. Before Van Heusen collars were sold generally at haberdashers, the manufacturers advertised nationally, although the consumer could obtain the collar only at the Chain Shirt Shops, a chain of retail haberdashers owned and operated by the manufacturers of the Van Heusen collar. The manufacturers, not the chain stores, supplied the national advertising. While the effect of the advertising was to introduce the collar and produce sales at the manufacturers' outlets, it also played a part in securing new outlets outside the manufacturers' chain.

8. *Special sales.*—A retailer will frequently stage a special sale for the purpose of attracting a crowd of visitors to his store. These special sales take a variety of forms. At frequent intervals, the Liggett chain drug stores conduct a one-, two- or three-day "one-cent sale." In these sales, the purchaser who buys a listed article may obtain two of the same article for one cent additional, *i.e.*, a half-pound cake of chocolate for 25 cents, two cakes for 26 cents. These sales are largely attended and are no doubt profitable, although to the inexperienced it is hard to reconcile the fact that, while the extra penny does not cover the cost of the second article, no one is "giving anything away."

Department stores in the larger cities have special sales at frequent intervals. An article, for example, that sells regularly for a dollar will be priced at 79 cents during the sale. A great quantity of stock is moved during these sales and much trade is attracted to departments other than those featured in the sale. One of the leading retail merchants in Chicago, in the earlier days of his business, advertised 2,000 pairs of overalls to be placed on sale at two cents a pair (only one pair to a customer), for one hour before closing time, on a Saturday evening. Needless to say, every pair was sold before the hour was up, and the additional crowd in the store made purchases that more than compensated for the ridiculously low price of the overalls.

9. *Regular sales.*—The regular sale has become a fixed part of the program of retail stores, large and small. At the little store in the most remote hamlet, one will find, at certain times of the year, placards announcing a "sale." This is, no doubt, as much a traditional custom in the retail field as are souvenirs on "opening day." It is a form of *advertising,* as is anything else that can be relied upon to attract attention and draw trade to the establishment.

The city department stores generally have a regular schedule for sales, arranged according to the calendar month and disregarding whether or not the weather is seasonable. For instance, there is "The January White Sale," "The Spring House Furnishing Goods Sale," "The August Furniture Sale," etc.

The small stores have imitated the large ones, in this practice, and time their sales accordingly.

10. *Clearance sales.*—Clearance sales are usually held prior to "stock taking" and are designed to move old merchandise to make room for new stock. In the big department stores, it is not an infrequent occurrence to find clearance sales being held for a week, two weeks, or even a month in all departments. Much slow-moving merchandise is disposed of during these clearance sales. Stores often lay in stocks especially for "clearance sales." The manufacturer finds an opportunity to dispose of slow-moving merchandise through these clearances, selling it at a figure that enables him, as well as the retailer, to come out with a profit. Sometimes a manufacturer's complete stock of a discontinued model, style, or number will be put upon the market in a clearance sale.

11. *Advertising service.*—The small retailer who advertises usually places his advertising in the hands of an advertising agency, which selects the media and prepares the advertising copy, illustrations, etc. There are a few small retailers who avail themselves of the advertising service departments of the newspapers for this work. The newspaper service department, however, confines its work entirely to the preparation of newspaper advertising and illustration. Should the retailer undertake a direct-advertising campaign, using circulars, folders, booklets, etc., he must either prepare this material himself, or seek outside aid.

Some of the larger retailers, in addition to having an agency look after their advertising needs, have an advertising manager as well. This is especially true of retailers who conduct several branch establishments.

The large department stores generally have a department in charge of an advertising manager. Very few of them use the services of an agency and those who do use the agency's service for the preparation of special copy other than their regular announcements. The duties of an advertising manager in a large department store are arduous and responsible. He makes the space contracts with the different media, prepares the copy for all the advertisements, supervises the work of artists and engravers, OK's proofs, orders the insertions, and checks the bills. He confers with the several department heads and with the merchandise managers and buyers. He is responsible for keeping the advertising expenditures of the various departments within the limits of their appropriations. He also confers with the window dressers, prepares copy for the card writers, and arranges with manufacturers for window displays, demonstrations, etc. In a department store conducting a mail-order business, the advertising manager generally is the one responsible for the preparation of the mail-order advertisements and the catalogs, although, in some of the very large stores, this work is handled by a separate mail-order advertising department or by an advertising agency.

12. *Apportioning advertising to departments.*—Many department stores feature certain departments. John Wanamaker and James McCreery & Co., in New York, feature their furniture departments more than do other department stores which have these departments. R. H. Macy & Co. feature their china and glassware departments and manufacture a large part of the stocks of these departments. While it is not generally known, outside of trade circles, a few of the departments in department stores are "concessions," *i.e.,* the department is conducted by outside interests, the floor space being leased by the owners of the store to the proprietor of the concession. While the advertising of these departments frequently appears in connection with the regular advertisements of the store, it is paid for by the proprietor of the concession. Many of the restaurants, barber shops, hair-dressing departments, manicuring departments, etc., in department stores are concessions.

A great many stores compute their advertising appropriations on the basis of allotting so much per year to each department that is to be advertised (some departments are never advertised), and then hold the advertising expenditure for these departments within the appropriation. The appropriation is usually based on the amount of business done by the department, or the amount of business it is expected to transact within a certain period of time.

13. *Advertising a specialty store.*—A specialty

store can very well follow those plans of advertising that fit the needs of any retail establishment, with the possible exception that the copy emphasis should be on the specialty, and on the special competence of the establishment to serve its trade in that particular line.

14. *Advertising a neighborhood store.*—A neighborhood store serving a clientele within a restricted area cannot very well use a general advertising medium with profit. It must confine its advertising to media that circulate in the vicinity of the store, such as the neighborhood newspapers, direct advertising in the form of circulars, dodgers, etc., and the publication of its own store paper.

The smaller store must meet conditions that are different from those of the chain stores, on the one hand, and of the department stores, on the other. Naturally, this type of store cannot employ the same forms of advertising that can be profitably used by the larger retail establishments, and vice versa. However, there are some large retail establishments that advertise in magazines, particularly in those magazines having a quality circulation.

Many small retailers do no advertising other than to make use of the advertising material sent to them by the manufacturers. The manufacturer sometimes pays for a part of the newspaper space, and, at other times, he pays the entire cost of the space in order to present his advertising messages to the public in certain localities.

Diamond rings . . . precious as the mines of the world can produce . . . perfectly cut as the craft of the true artist can make them . . . exquisitely set as any woman could wish. And, withal, endowed with the traditions of three generations of Fifth Avenue jewellers

BLACK
STARR
AND
FROST
GORHAM
Inc.

FIFTH AVENUE, CORNER 48TH STREET, NEW YORK
SOUTHAMPTON : : PALM BEACH
Associated with SPAULDING-GORHAM, INC., *Chicago and Paris*

A retail advertisement of Black, Starr & Frost-Gorham, Inc., and one of a series designed for national magazines.

REVIEW

Name the principal types of media which can be used profitably by the retailer, and explain why his policy in this respect must differ from that of the manufacturer or jobber.

Discuss the newspaper as a retailer's advertising medium.

Name the chief kinds of "sales" and explain the purposes of each.

Discuss the question of advertising service from the retailer's standpoint.

CHAPTER XVI

JOBBERS' CAMPAIGNS

1. *The jobber's place in distribution.*—While the part that the jobber plays in the distribution and sale of merchandise may be, in theory, of questionable necessity, the fact remains that he is a practical factor of importance, and performs a definite, necessary, and valuable task in modern business. He is the middle link in the chain of distribution from the manufacturer to the dealer. While the jobber has been assailed and attacked as an economically wasteful institution, the forces of criticism have been thrown against his strongly entrenched position in vain. In principle, it might seem that this "middleman step" in distribution could be eliminated with profit to the manufacturer, the dealer, and the consumer, but business has thus far found no substitute for the jobber. Understanding this, it will be appreciated why the jobber, occupying such an important place in the scheme of distribution, utilizes the power of advertising to tell his story to his public and the dealer.

2. *Media used by jobbers.*—The advertising media most frequently used by the jobber are the trade papers and direct mail. These are the most profitable

channels for putting his advertising message before the greatest number of prospects. As the trade paper circulation is national in its scope, and very few jobbers operate nationally, some of the circulation the jobber buys in trade papers is unavoidably wasted. The most popular, because the most profitable, form of advertising for the majority of jobbing houses is direct-by-mail advertising. In this form, the jobber has the opportunity of choosing his territory and of concentrating his advertising in the field that is visited by his salesmen.

Some large jobbing houses use newspaper advertising to the consumer to increase the demand in their territory for a nationally advertised product which they handle. A conspicuous example of this is the advertising of Robert Reis & Co., of New York, who use newspapers in the metropolitan district to advertise B. V. D. underwear and Tom Wye knit jackets. In such cases, some arrangement is usually made whereby a portion of the advertising expense is borne by the manufacturers.

3. *Catalogs.*—Jobbers, as a rule, do but little periodical advertising. In fact, on account of the limited sections of states and counties which they serve, the only practical method of advertising is direct mail, although many jobbers use sectional trade papers with success. Butler Brothers are an outstanding example of wholesalers doing a national business entirely by mail. They have only one salesman, their catalog, called, "Our Drummer."

The first essential, in sending out a catalog, is a mailing list in the territory which the house will cover (very few jobbing houses are national in scope); the second is the list of retailers this particular jobber will serve. The main source of a good list is the list house, which will compile for the jobber in Minneapolis, for example, a list of all retailers normally covered and served by the "twin cities" of Minneapolis and St. Paul. Salesmen's reports are also extremely important to the jobber in the making and maintaining of lists. Since jobbers frequently cover several lines of retailers, their lists are often subdivided by lines of goods, as well as by territories.

Jobbers' catalogs vary according to the size of the houses and the variety of lines carried. They are often merely loose-leaf affairs, which the jobber mails from time to time to his retail trade. On the other hand, many large jobbing houses publish elaborate catalogs. In many cases, the catalogs are supplied by the manufacturers, who frequently send to the jobber catalogs that are identical with those sent to the retailer. A large number of manufacturers furnish their jobbers with catalog inserts to be bound in with the jobber's own catalog. These inserts are generally of two kinds: (a) actual catalogs of goods, with descriptions and prices; (b) selling arguments. Manufacturers are divided in opinion as to the value of the catalog insert. Many maintain that it is a form of "graft" on the part of the jobber, while others contend that it is a logical and valuable element in

the selling chain. However, the general opinion among manufacturers seems to be that, to be successful, a catalog insert should contain catalog information and not selling arguments.

4. *Trade papers.*—Jobbers who do any advertising in periodicals, use trade papers, for the same reason that manufacturers employ them. Frequently, the jobber will parallel the manufacturer's trade-paper campaign by having his own advertising appear in the same list and on the same dates as the manufacturer's advertising. The manufacturer will often list the jobbers in his trade-paper announcement; in other instances, he will cover the jobber situation with the line, "Get in touch with your jobber."

In years gone by, the jobbers' attitude toward advertising was decidedly reserved. The name, and a notice of the line dealt in, with an occasional illustration of the office building or warehouse, were the extent of the jobber's advertising expression. More recently, there has been an effort toward individuality and an attempt to add character to the advertising copy and lay-out.

As jobbers endeavored to exploit private brands, there came a distinct variation and improvement in their advertising and, while jobber advertising may still be said to be in its infancy, the improvement today over a decade ago is marked.

Whether or not the jobber is justified in appropriating money for an advertising campaign for a limited part of his stock is a question that can be decided

only by the circumstances in each particular case. Comparatively few jobbers feel that it is profitable to advertise their own private brands. Most jobbers handle competing lines and prefer to emphasize the variety and quality of their stock. They believe that the retailer is interested, not so much in any particular brand of goods, as in getting prompt deliveries for his specific requirements. The jobber's advertising, and his other sales efforts, are designed to convince the retailer as fully as possible that he can render the latter a real service.

5. *Use of jobber's name in advertising.*—The use of a jobber's name in advertising may have back of it a variety of purposes on the part of the advertiser. Not all jobbers are willing to give the manufacturer a list of their retail customers. Many manufacturers do not, as a matter of fact, know how many retailers carry their goods, or the names of these retailers. The manufacturer's salesmen come in contact with only the jobbing trade and, where a manufacturer's only outlet is through the jobber, he is not generally concerned as to who the retailers are, so long as his business with the jobbers is satisfactory. Naturally, any increase in the number of retailers who sell his goods is likely to mean a large volume of business for the manufacturer. Some manufacturers, therefore, in a newspaper or magazine campaign directed to the consumer, will list the jobbers' names. This list of names has little or no weight, of course, with the ultimate consumer of the goods, but the adver-

tiser knows that retailers also read the media he uses, and the listing of the jobbers' names is done with the expectation that it will create more dealer outlets.

6. *Exclusive distributor's advertising.*—The manufacturer will often market his entire output through a single distributor in a given territory or, in some instances, through a single distributor for the entire country. An example of this is Palm Beach cloth. This is sold through a single selling agent, who sells to jobbers and retailers. Neither jobber nor retailer is sold by the mill. Some lines of hosiery and underwear are sold through a single jobber, and this jobber's name is appended to all advertising—local and national.

Occasionally, we hear of an advertiser who is both manufacturer and jobber. Some years ago the Chalmers Knitting Co., makers of "Porosknit" underwear, dispensed with all jobbers and began to market their product direct to the retail trade. Other manufacturers, also, have dispensed with the jobber in the marketing of their product, with more or less success. The situation is largely governed by the nature of the product. If a manufacturer markets a specialty, it is a difficult matter for him to cover the whole country economically with a sales force. In such cases, it is a more economical form of distribution to secure sales to the retailers through the jobbing houses.

7. *Creating a demand for job lots.*—Manufacturers frequently find themselves left with a surplus

of production that is difficult to dispose of through the regular channels of sale. This is particularly true if the product is one in which styles are frequently changing. The disposal of job lots of merchandise can almost be said to be a specialty of disposing of discontinued numbers, mill ends, leftovers, etc. Jobbers handling this business, are in touch with retailers who can find a ready sale for such merchandise, and the manufacturers, in turn, are in touch with jobbing houses in this class. Most of the retail outlets for merchandise of this sort are in the small towns, and not infrequently there are chain stores that make a specialty of carrying job lots of merchandise. In the larger cities, also, there are retailers in this class who buy from the jobber making a specialty of job lots.

Manufacturers who sell largely to mail-order specialty houses frequently find themselves overproduced in certain lines. These surplus stocks are sold to the jobbing houses, which in turn sell to retailers. That is why one frequently finds standard articles, particularly wearing apparel, on sale in small shops at a price much below the regular retail price.

To liquidate the affairs of a defunct manufacturing concern, the entire stock will often be offered for sale by court order. Sometimes these stocks are disposed of by auction and sometimes through sealed bids. Jobbing houses are often buyers of merchandise in this way.

8. *Future of jobber advertising.*—Writing in *Printers' Ink Monthly,* C. B. Larrabee, discussing the present status of the jobber and his probable future position in relation to distribution and advertising, says, in part:

"The whole question resolves itself into one of seeing eye-to-eye with the jobber, of studying distribution problems from his angle, as well as from the angles of the dealer and the manufacturer. It was with this idea in mind that I wrote recently to some fifty jobbers, mostly in the drug field, where the situation is particularly acute, asking them their frank opinions on the subject of jobber-manufacturer coöperation. The following questions were asked:

Just what coöperation are you getting from national advertisers?

What kind of coöperation would you consider most valuable?

What is the chief fault you have to find with the manufacturer?

What do you consider the outstanding steps made so far toward a solution of this vexing question?

"Almost every jobber written to replied, and the letters constitute a body of frank opinion, expressed without reservation, except in a few cases where the jobber asked that his name be not used.

"The chief value of the letters from representative jobbers is that they point out where the sore spots are and show the advertiser what he can do to eliminate certain difficulties. Some of the letters are

biased. Others suggest impossible solutions. But the great body of them are the frank expressions of sound business men on a subject that lies close to their hearts.

"Briefly, the chief abuses of which the jobber complains are:

(a) The manufacturer sells, not only to the jobber, but often to the jobber's customers. Thus, he becomes literally a competitor of one of his customers.
(b) Because the manufacturer gives too favorable prices to the price-cutter, he makes it impossible for the jobber to get a fair profit. Also, he thus drives the independent retailer, the jobber's customer, slowly to the wall.
(c) Advertisers do not give the jobber the right kind of selling coöperation, seeming to feel that advertising alone will be enough in the jobber's eyes to win his support of a product.
(d) Advertisers are greedy and exploit the jobber, trying to use forcing methods to club him into selling their products.
(e) Advertisers place too much emphasis on advertising, too little on furnishing the jobber with helps which will aid to make the advertising more effective.

"The remedies suggested by jobbers are:

(a) Legislation to protect prices
(b) Refusal of the manufacturer to sell any but good distributors, not letting his products fall into the hands of fly-by-nights, heavy price-cutters, etc.
(c) Protection by the manufacturer of the jobber's profits, really a corollary of (b)

(d) Local advertising help in the form of dealer helps and advertising in newspapers in jobbers' territory
(e) Giving one jobber exclusive control of a line, in so far as distribution is concerned
(f) Giving the jobber thorough knowledge of advertiser's policy, so he can form his own policies to agree with those of the advertiser

"Obviously, some of the remedies are drastic, others impossible to obtain at the present time. Also, some of the abuses are overdrawn and most of them do not apply 100 per cent. They must exist, however, or the jobber would not mention them as forcefully as he does."

After presenting a number of letters from representative jobbers, the article concludes as follows:

"The jobbers have spoken. Some of them have shown how active coöperation from advertisers has resulted in a general profit all along the line. Some of them offer obviously impossible remedies. Others are perhaps unfairly biased in their views. The facts remain, however, that no matter how the jobber may feel toward the nationally advertised product, he knows that it forms an integral part of his business and in most cases is willing to go more than halfway toward an understanding with the advertiser.

"Fortunately, steps are being taken today which will go some way toward straightening out the difficulty. It is up to advertisers, in general, who realize the jobber's attitude, to study the steps already taken, and to work night and day to find a satisfac-

tory basis on which they and the jobber can be as equals. When this is done the jobber, individually, and in his association, will no longer feel it necessary to resort to legislation or other drastic practices. If the jobber has misconceptions, the advertiser must realize that his big task is not to complain about them, but to eliminate them.

"Thus, it will appear that the future jobber advertising depends principally upon the manufacturer's attitude toward the jobber, not merely in the matter of trade relations but in the manufacturer's advertising and his willingness to coöperate more thoroughly with the jobber in his advertising and dealer helps."

REVIEW

Show why jobbers must rely primarily upon trade papers and direct mail as advertising media.

Describe the nature of jobbers' advertising in trade papers.

Discuss the relationship between the jobber and the manufacturer in the matter of advertising.

State the advantages in using the jobber's name in advertisements. Do you see any disadvantages?

Give your views as to the future of jobber advertising.

CHAPTER XVII

MANUFACTURERS' CAMPAIGNS TO DEALERS

1. *Kinds of manufacturers' campaigns.*—Successful dealers have long realized the value of the part that advertising plays in the salability of the merchandise they carry, and those dealers who prefer to sell non-advertised rather than advertised goods are a very small minority. A few years ago an impartial investigation by the National Trade Association, to determine the average buyer's reaction to advertising, developed the following:

> When two articles of similar nature are for sale at the same price, 87.6 per cent buy the advertised article.
>
> When two similar articles are for sale at different prices, the unadvertised lower than the advertised, 60.6 per cent buy the advertised article.

A manufacturer's campaign, therefore, has chiefly two objectives: to create a demand for the goods that will increase dealer distribution, and to stimulate sales for those dealers who have already stocked the merchandise.

2. *Place of the dealer in the campaign.*—In planning an advertising campaign, the dealer's attitude is most important. On him largely depends the success of the campaign because, when he is opposed to the

advertiser or to his product, he will not only withhold coöperation, but may show open hostility by recommending to the consumer a competing product. With such an attitude on the dealer's part, the campaign is almost inevitably foredoomed to failure.

Manufacturers, inspired by advertising men, used to talk of "consumer demand." They were ill advised. The phrase connoted forcing the dealer to order the goods because they were so heavily advertised that consumers, the dealer's own customers, would flock to his store and *demand* them. At the present cost of advertising space, such a condition is practically unattainable, if indeed it was ever possible profitably to advertise any product so heavily as to force the dealer to stock it because of strong demand.

The experienced advertiser realizes that the real value of advertising is to make the product so well and favorably known that *when the dealer offers it to his customers it will be accepted.* This is what is known as "consumer acceptance," and is now used by enlightened advertisers as the basis of a practical working attitude toward the dealer.

With the present keen competition in most lines, dealers find it impossible to stock every product offered to them. They must select carefully from the many things that manufacturers seek to induce them to push, and they are likely to put their efforts behind the products of those manufacturers who wisely seek to coöperate with them.

3. *False methods of dealer coöperation.*—No

longer does the wise manufacturer try to force the dealer, as was done years ago. It is now generally recognized that this was a fallacy, chargeable largely to enlargement of the ego, and to the average manufacturer's lack of knowledge of the retail situation. The manufacturer now bears in mind the old adage, "One man can lead a horse to water, but twenty cannot make him drink." The advertiser of days gone by failed to take into consideration that, although his advertising might direct the consumer's steps to the retailer, the consumer, after he crossed the threshold of the retailer's store, was the *retailer's* customer, who generally knew the retailer better than he knew the advertiser. Here the retailer held the advantage. He could sell the consumer what he pleased—and he generally did so. This was in the days when private brands and substitutions were more common, and before advertising had educated the consumer to the point of not only asking for a product by name, but of refusing substitutes.

Later, the manufacturer began to realize that he must have the dealer on his side, and began to evolve such methods as seemed most likely to persuade the dealer to order his goods. He began talking glibly about the large-scale advertising campaign which he proposed to run, and urged the dealer to lay in a heavy stock of goods in order to profit from the large sales to be expected as a result of this advertising. He ran his general advertising to consumers in media that the dealers were sure to read. In

short, he tried in every way possible to impress the dealer with the importance of his product, and with the size and probable effectiveness of his advertising.

Unfortunately, unscrupulous advertisers recognized in this method an easy way to transfer their goods to the dealers' shelves. Salesmen have been known to present to a prospective dealer a portfolio of proofs of an advertising campaign that was "projected" *only,* with no idea of its being put into execution. While such cases were relatively infrequent, they were frequent enough to militate against the honest manufacturer who really had planned to execute the projected campaign. Having this in mind, the conscientious manufacturer today, who has planned a national or local campaign, has definite proofs of its genuineness to convince the skeptical dealer. He shows him acknowledgments from the various publications for space contracts, and often the newspapers themselves write to the retailers in their locality to confirm the projected campaign.

But in former years, even when the advertiser really carried out his largely advertised advertising plans, he foolishly thought that those plans, with nothing added, were sufficient to obtain the coöperation of the trade. Of course, some honestly planned campaigns by manufacturers were complete "duds." One manufacturer carried out faithfully his undertaking to advertise a specialty in local newspapers. He might as well have advertised on the inside of gas pipes. Windows were the natural media for his prod-

uct. His campaign was a failure, brought about by ignorance.

4. *Sound dealer coöperation.*—Perhaps as sound a basis as any for dealer coöperation is that laid down by the Curtis Publishing Company, after an extensive investigation of practical and effective ways for a manufacturer to secure the active goodwill of dealers:

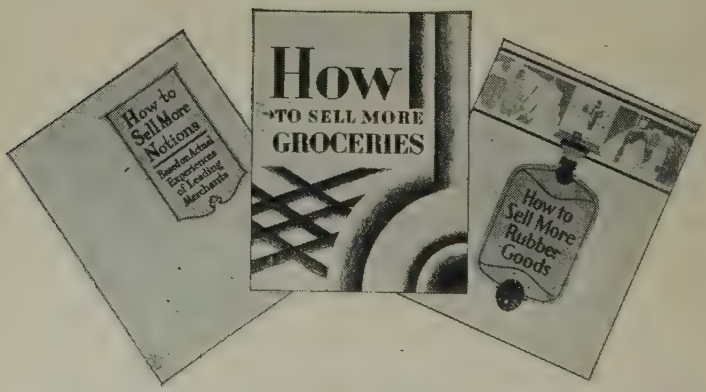
> To the manufacturers, we say: The average retailer is a fair-minded business man. He is building his own business on a basis of fair and courteous treatment of his customers, and as a buyer, he naturally expects some of the consideration which he, as a seller, is accustomed to give. He wants to make money, and the sum total of his profits is simply the sum total of the profits of his individual lines. In fairness to himself, if he handles your line he needs to make money on it, that is, he needs a margin above the cost of selling your line. He needs to have confidence that your merchandise is right and that he can safely recommend it to his customers. He needs to have confidence in your business methods and to feel assured that he can depend upon you to treat him squarely.
>
> To urge manufacturers to extend fair treatment is superfluous, for the average manufacturer means to do fairly by the retail trade. As we see it, mistakes of manufacturers in their relations with retailers are due, not to ill intentions, but to lack of understanding of conditions.
>
> Upon manufacturers, therefore, we urge: Make a study of the retail conditions surrounding your lines; get first-hand knowledge of what it costs to sell your lines—not only what average retail store costs are, not only what it costs to sell the line in which you operate, but also *what it costs to handle your particular brand;* and besides this, make a study of the attitude of merchants toward your products and your methods.

5. *What dealers require: quality goods.*—To get dealer coöperation, the manufacturer must make sure that the quality of his goods is right—that, for the price, they compare favorably with competing products, and that customers will be satisfied with their purchases. The retailer wants permanent trade; he can get it only when his customers are satisfied and come back for more. For this reason, one of the first things the dealer looks for is quality. Then, too, there is the aspect of prestige. *"Similis gaudet"* (like loves like), and the dealer who establishes a reputation for selling quality goods attracts the class of trade that desires quality goods and has the wherewithal to pay for them.

6. *What dealers require: profit.*—Equally important with quality, from the dealer's viewpoint, is profit. Perhaps the biggest obstacle in getting dealers' coöperation is that the manufacturer has failed to allow for a large enough margin. Regardless of the amount of selling helps to dealers, regardless of the effectiveness of his advertising or the quality of his goods, if the margin of profit is not sufficient the dealer will not coöperate.

The size of the margin of profit that is necessary, however, depends on the turnover the goods enjoy. If they sell easily and quickly, then the dealer need carry only small stocks and, because of the small investment in goods and in the amount of space they occupy, he can make his required amount of profit, even if the margin is relatively narrow.

7. Giving the dealer specific help.—One way of stimulating the dealer is to tell him the points of interest about the things he sells, so that he and his clerks can, in turn, pass them along to his customers. Another way is to show him where additional customers may be found, and how to get them into the store and gain their trade, after they have been found.



The dealer wants to know "how to sell," and the manufacturer gets a very direct benefit by the publication of such books as the three shown above. These books often form the basis on which a complete direct advertising campaign is built.

A furniture manufacturer sent to all his dealers, and their sales people, a booklet entitled, "The Tip of a Tree," which told in a lively way the experiences of a retail salesman who visited a furniture factory for the first time. Certainly, the dealer who read this story could sell more intelligently than he could before.

Many manufacturers make every effort in their

power to teach dealers the selling points of their particular products. A prominent clothing manufacturer shows pictures of his manufacturing processes, which are displayed before groups of store employees. Others distribute booklets; some get out elaborate correspondence courses for their dealers; in still other cases, traveling exhibits are routed from store to store, while salesmen give lectures to the store employees.

To get the wholehearted coöperation of his dealers, a manufacturer must have something more than an eager desire. To blame the dealer for not being alert, because he does not put a great deal of pressure behind a certain line of products, is unfair to the dealer. In the majority of cases, a little more education as to the details and uses of the product would be reflected in increased sales. In reality, the retailer is much more alert than many manufacturers will give him credit for being. If they could spend a few weeks in his store, they would be able to realize some of the problems that he faces. Naturally, all manufacturers realize that, until retailers sell their goods, the sale is not completed. The result is that the retailer receives stacks of suggestions, appeals, encouragement, and advice. With so much sent to him he becomes indifferent, so that only the unusual and intensely practical holds his interest.

To advertise new uses for a product, and simultaneously to educate the dealer in these new uses, has brought success in a number of instances. A con-

spicuous example is that of I. B. Kleinert Rubber Company. Rubber sheeting was the only item in their line which seemed to resist all efforts to increase its sale. With the assistance of the editors of several women's magazines, the Kleinert Company prepared an interesting booklet, which was an amazing revelation of what can be done with rubber sheeting. The range of articles included doilies, cuff protectors, and rain capes for children, bags for bathing suits, book covers, toys, and animals for the playroom, etc. The booklet was distributed broadcast to women through dealers. Meanwhile, Kleinert's had supplied the dealers with rubber sheeting to be sold by the yard in various widths. Results came quickly, and showed that the problem was solved.

Many manufacturers attempt to ferret out, in addition to new uses for their products, new users for it, and educate the dealer accordingly. A large manufacturer of electrical appliances sent to dealers, in certain towns, an aeroplane photo of the town with prospects located on the photo, with their names, and the possibilities of selling them specific electric equipment. For instance, Mrs. Brown, 198 Deane St., could use a percolator, electric iron, vacuum cleaner, washing machine, etc. Dr. Bloomer, dentist, could use a small motor for operating a lathe, for grinding, etc., a dental motor, electric fan, etc. This educational work, although costly, was highly successful.

Unselfish efforts of this sort represent a long step in advertising, and promise much for the future in

Les droits de la femme ? Quel ennui ! Le droit le plus
important est celui d'être ravissante – Si vous ne
pouvez pas plaire, votez – si vous n'êtes pas sûre
de plaire – essayez un parfum de Lenthéric
Lenthéric PARIS
Ses Parfums

The copy of this daring counter-card in delicate hues is all in French. On the back, for the help of sales people is the following translation: "Womens rights? How tiresome! The most important right is that of being ravishing. If you are not able to please, vote! If you are not sure of pleasing, try a perfume of Lentheric."

securing better coöperation between manufacturers and dealers.

8. *Advertising to increase dealers' business.*—This broad-minded type of effort may express itself in a variety of ways. The radio manufacturer who offers to his dealers and their clerks a free course in selling and installing radios is perhaps doing it from a selfish motive but, nevertheless, he is rendering a real service to his distributors. In much the same class is the manufacturer of one product who advertises another for the benefit of his dealers.

The Blank Glass Company manufactures milk bottles. Yet it does not advertise bottles. Instead, it advertises the great food value of milk and urges more liberal use of it. The object of the campaign is, first, to increase the consumption of milk and, second, to get the goodwill of the milk distributing companies.

9. *Coördinating dealer helps.*—The manufacturer can also be of real assistance to the dealer by helping with his newspaper and direct mail advertising and with store signs of various kinds.

In the preparation of these three kinds of dealer helps, the wise advertiser strives to preserve a uniformity, that is, he is careful to see that the physical characteristics of all his dealer helps bear a strong resemblance, pictorially and in text, to the manufacturer's national advertising. This is advantageous to the manufacturer as well as to the retailer. Some manufacturers go to the extent of having the material

In the lives of **ENGLAND'S** *women*
"LYSOL" *plays a vital part*

A type of Englishwoman of the smart hunting set to whom feminine hygiene is a vital part of "keeping fit."

THIS month it a racing season in England, and social London is at its best. In the paddock at Ascot, in the drawing rooms of Mayfair, in the night clubs of Piccadilly where royalty plays, throng the cream of the fashionable world.

And the women! Who does not envy their flawless complexions, their lithe, trim figures, their indestructible poise? Qualities that arise from the English doctrine of "keeping fit."

To a program of exercise and outdoor life, these intelligent Englishwomen add another essential practice, known as feminine hygiene, to help protect their health and retain that assurance of true cleanliness And they, like the fashionable women of France and the rest of the Continent, rely on "Lysol" Disinfectant as the antiseptic for this intimate use

Today "Lysol" is the choice of fastidious women in every country They know that, after 40 years, doctors and hospitals still depend on it at a time when disinfection *must* be thorough, yet without risk of possible injury—at childbirth They know that it kills harmful germs under conditions which render so-called non-poisonous" disinfectants impotent. They know that "Lysol" itself is *non-poisonous* when used in proper dilution

What greater assurance need any woman have than this? How dangerous to experiment in so delicate a matter as personal cleansing! Be guided by professional advice A prominent woman physician gives it in the free booklet offered here Send for it today Meanwhile, be safe; be sure Get a bottle of "Lysol" from your druggist and follow the directions in the package "Lysol" is a *concentrated* germicide, and therefore gives you many times more for your money than do so-called "non-poisonous" preparations, some of which are 90% or more of water

LEHN & FINK, Inc., *Sole Distributors*
Dept. 380. Bloomfield, N. J.
In Canada address
Lehn & Fink (Canada) Limited
9 Davies Ave Toronto 8
Please send me, free, your booklet,
"The Facts about Feminine Hygiene"
Name .....
Street .....
City .....
State .....

Be careful! Counterfeits of "Lysol" Disinfectant are being sold. Genuine "Lysol" is in the brown bottle and yellow carton marked "Lysol."

The difference in the preparation of advertising copy for magazine and for newspaper use is illustrated by these displays from a recent "Lysol" campaign. The left-hand copy ran in magazines, and the right-hand copy in newspapers. Note the use of a line cut in place of a half-tone, and the larger and more open type of the newspaper copy.

IN THE LIVES OF ENGLAND'S WOMEN "LYSOL" PLAYS A VITAL PART

TO a program of exercise and outdoor life, intelligent Englishwomen add another essential practice, known as feminine hygiene, to help protect their health and retain an assurance of true cleanliness. And they, like the fashionable women of France and the rest of the Continent, rely on "Lysol" Disinfectant as the antiseptic for this intimate use.

* * *

Be careful! *Counterfeits of "Lysol" are being sold.* Genuine "Lysol" is in the brown bottle and yellow carton marked "Lysol" Disinfectant.

"Lysol" is the registered trademark of LYSOL (CANADA) LIMITED. Distributed by Lehn & Fink (Canada) Limited, Toronto.

Lysol
Disinfectant

Trademark "Lysol" Registered in Canada

This coupon brings you
"The Scientific Side of Health and Youth"
LYSOL (CANADA) LIMITED
Dept. 00, 9 Davies Ave., Toronto 8, Canada

Name .....
Street .....
City .....
Prov. .....

furnished to dealers for local newspaper advertising almost a duplicate of their national advertising, varying the treatment of illustration only to conform to the printing possibilities of the newspapers. (See illustration on page 303.)

10. *Furnishing electrotypes to dealers.*—Many national advertisers furnish free to their retailers electrotypes for their newspaper advertising. These vary from the advertiser's trade-mark cuts, or cuts of the product, to complete newspaper advertisements of various sizes and column widths. The usual procedure is for a manufacturer to send a dealer a broadside in which are reproduced the various electrotypes offered. These the dealer orders by number from the manufacturer, the jobber, or the manufacturer's advertising agency.

When a manufacturer wishes to present complete advertisements to his distributors, he sends the broadside described above. Dealers appreciate this kind of help because usually they are not in a position to prepare such material themselves. Even when a dealer has a knowledge of advertising and some experience in its preparation, he may be located in a small town, where he is very likely to be handicapped by the absence of artists and engravers.

Some manufacturers furnish the retailer with electrotypes of advertisements for goods other than those made by the manufacturer. For instance, a large clothing manufacturer will furnish the retail haberdasher with cuts of complete advertisements

(minus prices) for hats, shoes, shirts, neckwear, and so on, in addition to the regular run of electrotypes which he has prepared for retailers to use in advertising his clothing.

Other manufacturers, instead of preparing electrotypes of stock advertisements, offer the retailer personal help in his advertising. The manufacturer's advertising department, or his advertising agency, may write special advertisements for the dealer which are representative of his store alone. Such service is unusual, however. Except in rare instances, where a certain dealer's coöperation is necessary, it is unprofitable and, as a steady diet of coöperation, is for most manufacturers absolutely prohibitive in cost.

Many dealers object to running complete newspaper advertisements supplied by manufacturers. For this reason, it is now common practice to furnish only cuts for illustrations. The dealer selects what he wants from a broadside sent him by the manufacturer and uses them, together with suggested sentences, headlines, or paragraphs also sent him by the manufacturer. These are usually excerpts from the national advertising, and the dealer is able to adapt them to his own use in the way which pleases him most.

11. *Assistance in dealer's own direct mail advertising.*—Most retailers find it just as difficult to write their own direct mail advertisements as to prepare their newspaper advertisements. Many manu-

facturers, therefore, gladly help them by writing form letters or even by preparing complete direct mail campaigns, using their own circular matter and catalogs for the purpose. A large radiator company sends out illustrated books to lists of names furnished by their dealers. Each book carries the dealer's name, and with it is sent a letter prepared by the manufacturer, but signed by the dealer. A well-known phonograph company uses a similar plan. Care should be taken that the consumer feels that the letters are really personal messages from his local dealer. A dealer's letters that are obviously furnished by a manufacturer are not so effective as those which carry the ear-marks of the dealer's personality. A customer who receives material, purporting to be from his local dealer but bearing a New York postmark, is especially likely to sniff at the whole business.

12. *Selling consumer advertising to dealers.*—The selling of consumer advertising to the dealer is for the most part undertaken by the manufacturer's salesmen. Sometimes it is done by correspondence. The broad-minded advertiser, however, is open at all times to suggestions by the retailer as to how he can improve the effectiveness of his advertising to the consumer. He recognizes the fact that the final sale to the consumer is a situation with which the retailer is more familiar than he is.

Selling the campaign to the retailer is really the manufacturer's test of the value of his consumer ad-

vertising. If the retailer buys the merchandise on the strength of the same appeal that the manufacturer is going to put forth to the consumer, the advertiser can feel reasonably certain that he has prepared a real selling campaign.

The retailer's finger is on the pulse of the consumer market. He knows it better than the manufacturer does. A manufacturer of an orthopedic shoe had prepared an extensive national newspaper advertising campaign. When the complete copy for the campaign was shown by the manufacturer to his largest retailer, the retailer shook his head and said, "You've made the wrong approach. Talk to them less about the technicalities of the construction of the shoe and more on the subject of tired, aching, sore feet." The manufacturer scrapped the entire campaign, prepared a new one along the lines suggested by the retailer, and it was highly successful. The retailer knew feet. He knew the people to whom he sold or expected to sell shoes, and especially this orthopedic shoe. The manufacturer was obsessed with the merits of his patent.

REVIEW

Discuss the effective types of advertising helps which the manufacturer can extend to the dealer.

Describe two types of false dealer coöperation.

Explain how manufacturers of one product can afford to advertise for the purpose of increasing their dealers' sales of another product.

Show how the dealer's individuality can be injected into advertising material furnished by the manufacturer, and explain why this is important.

CHAPTER XVIII

MANUFACTURERS' CAMPAIGNS TO CONSUMERS

1. *Should advertising precede dealer distribution?* —Some advertisers have secured their distribution to dealers through advertising. On the other hand, many houses have first looked to the question of dealer distribution and not until that was accomplished have they sought to create a consumer demand for their product by advertising. There is no answer that will fit all conditions.

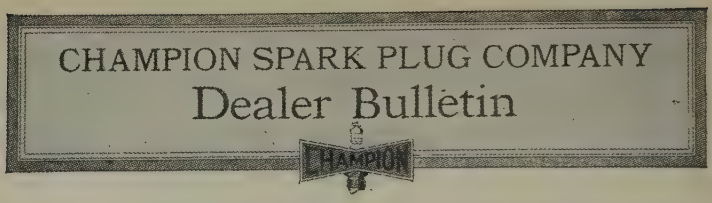
Advertising which precedes distribution is almost certain to be wasteful and unproductive. The consumer, bent on the purchase of any article, generally follows the line of least resistance. If his interest and desire are aroused for a new product, he will most likely inquire for it at the store he usually patronizes. If it is not found there, he may try a second store, or perhaps a third. Disappointment is very likely to make him cold on the proposition, and a sale is lost. Advertising in periodicals alone is often not enough to build the requisite demand for an article. It must be backed up by various forms of "reminder" advertising, such as store signs, and supplemented by active work on the dealer, instructing him in the selling points of the article and ac-

quainting him and his sales people with its merits. Many manufacturers establish a very thorough distribution before any vigorous attempt is made to induce people to come to the retailer and ask for their products.

On the other hand, the enlisting of dealers may be a slow and tedious process, unless advertising is called in to beat the drum and attract dealer interest.

While advertising men concede that advertising without dealer distribution is "putting the cart before the horse," and that the logical procedure is first to secure distribution, they hold that the ideal plan is to secure consumer demand and dealer interest simultaneously. Dealers are more inclined to stock goods when they can be shown active measures for creating a demand for those goods. Salesmen often carry portfolios of current and projected advertising which they show to dealers as evidence that a market is being developed. Sometimes these portfolios contain, in addition to proofs of the advertisements, the list of media, the dates when the advertisements are scheduled to appear, and also the circulation in the dealers own town of each medium on the list.

2. *Hitting the dealer through consumer advertising.*—Many campaigns, ostensibly directed to consumers, are in reality undertaken with one eye on the dealer. Sometimes, in an advertisement apparently directed to consumers, will be found a small box of text to the dealer. Sometimes it is only a line:


CHAMPION SPARK PLUG COMPANY
Dealer Bulletin
CHAMPION

Every Champion Dealer Can Improve Motoring Performance

Everywhere motor cars are talked about, we hear that people today buy cars because of external design, or color schemes, or size, or price—taking performance for granted and expecting it as a matter of course.

That is largely true, but it is also true that *continued* good performance is something which cannot safely be taken for granted, and also true that the consistent use of Champion Spark Plugs insures *better performance* in any car.

It often happens that we know a thing so well ourselves that we are led to assume that it is a matter of common knowledge.

You know that Champions are the better spark plugs, and that they are a vital factor in improving performance. In the interest of your customers' satisfaction with their cars, we urge upon you the importance of impressing this knowledge upon them.

You will find performance to be the paramount interest of your customers in their cars, and that better performance by means of Champion Spark Plugs will be a new thought to many of them.

We know it to be a fact that Champions outsell the world over, for the sole and simple reason that they do make cars perform better; but your customers may not know it.

We know that the regular yearly renewal of spark plugs—even of Champions, the better spark plugs—does bring back an engine's original purring smoothness, its snappy power and hill climbing willingness.

But these things may be news to your customer, and very possibly can help induce him to change to Champions then and there.

He may not be conscious that world-champions of land, water and air pin their chances of victory to their faith in Champions, and win.

The simple reason for Champions' dominance in world-preference is the improvement they invariably make in performance—an improvement so pronounced that in most cases it is immediately apparent.

Your customers will thank you for doing them the favor of improving their car performance—and more especially when it can be done at so small a cost of money and time as involved in installing a new set of Champions, the better spark plugs.

O CARE WILL SAVE YOUR CAR

(This is sales bulletin number four from Toledo to Champion Spark Plug dealers. Intended, of course, for the Champion sales organization, it is broadcast in The Saturday Evening Post because Champion policy need not be secret from the great public served by Champions.)

O CARE WILL SAVE YOUR CAR

CHAMPION SPARK PLUG COMPANY TOLEDO, OHIO; WINDSOR, ONTARIO

©1930 C.S.P.Co.

A consumer advertisement that keeps the dealer very much in the foreground.

"Dealer—write for interesting proposition, etc." This has been particularly marked, in recent years, in the radio field, where the introduction of new specialties has been extremely rapid. Many manufac-

turers evidently feel that neither trade publications, nor the jobbers' and manufacturers' salesmen can operate fast enough to create the distribution they desire. They direct, therefore, a campaign of advertising to the consumer with the expectation not only of stimulating consumer demand, but of arousing the dealer's interest as well.

Some manufacturers secure dealer distribution by offering, in national media, to send the product direct to the consumer, if the dealer does not carry it. After a certain number of orders have come to the manufacturer in a given town, the names and addresses are forwarded to a dealer or dealers in that town, showing them the possibilities of sales if they will stock the line.

In preparing their appeals to the consumers, manufacturers sometimes lose sight of the vital fact that the dealer also reads the consumer advertisements. The wise advertiser remembers that the dealer, when he is out of his store, is interested in articles for his home or for his personal use. Many of these articles would be appropriate to the stock of merchandise the dealer sells. The advertiser keeps the dealer in mind when he frames his selling message and kills two birds with one stone. In addition to the merits of the article advertised, he will frequently drop a hint as to its ready salability. Such references, as a rule, do not go over the dealer's head.

A manufacturer rarely finds it necessary to begin advertising to the consumer with a national cam-

paign. Few articles are introduced through advertising to all parts of the country simultaneously. The usual procedure is to select a small territory as a "try-out market." Local advertising and intensive sales effort are concentrated in this territory. It is entirely practicable to send a sales force to a given territory to work with the dealers, and to start a local newspaper and poster display campaign simultaneously with the arrival of the salesmen.

Many advertisers, who might enlarge their markets by advertising, are prone to hold back because of the impression that it costs a fortune to advertise nationally. They make the error of looking upon the country as one vast market instead of a number of markets. Some of these advertisers have been shown that they could begin in a small way in a given section, increasing the territory, bit by bit, until national distribution has been accomplished. The nature of the product largely governs the feasibility of gaining a national sale by this method. If the product is one that has a general appeal, such as a food product, a toilet preparation, or a household appliance, the procedure is practicable. If the product is affected by seasonal, climatic, or class conditions, it is a more difficult matter.

Many instances can be cited of manufacturers who began advertising in a small way in national media, without research in markets, and without considering dealer distribution and the thousand and one things that the modern, more sophisticated adver-

tiser ponders before he starts spending his money. The story of Waterman's fountain pen is typical. Waterman was an insurance agent. The first time he handed a fountain pen to a prospect, a big blot resulted. The prospect was superstitious and Waterman lost the prospective contract, which was a large one. Waterman worked studiously to perfect the pen, and opened a small shop at 136 Fulton Street, New York, where he put up a sign, "Waterman's Ideal Fountain Pen—Guaranteed for Five Years."

It was another man who had the vision—a stranger, who bought a pen and saw its future. He was the late E. T. Howard, the veteran advertising agent. Mr. Howard urged the pen-maker to advertise and suggested a quarter-page in a well-known magazine which had just begun to take general advertisements, and had jumped to a circulation of 30,000. Mr. Waterman hesitated. Finding that the real reason for his hesitation was the cost, Mr. Howard offered to stake the required $625, and agreed that he was not to be paid if the advertisement proved a failure. That was how the Waterman advertising began. Mr. Waterman accepted the proposition, and he and Mr. Howard together wrote the first advertisement. The advertising paid. Orders poured in from every section of the country. To meet the demand, the first Waterman factory was established, with $5,000 loaned by a wholesale stationer. It is a tradition at Waterman's that never

since the first piece of Waterman copy appeared, in 1883, has there been an issue of that magazine without a Waterman advertisement. The sale of the pens jumped to 2,000 during the first year of the advertising, to 5,000 the next year, and in the year that L. E. Waterman died (1901), his pens were selling at the rate of 1,000 a day.

3. *Sales zones.*—Many manufacturers who are now national advertisers have built dealer distribution and consumer demand, zone by zone, until they have merged a number of markets into a composite whole. Unless a manufacturer has unlimited capital to invest, he should not start upon a national campaign until he has built up distribution and consumer demand. The advertiser who goes into a nation-wide campaign, when the distribution of his product is only scattered or sectional, is nothing more nor less than an advertising "plunger." Advertising should be concentrated where dealer distribution has already been effected, and in the adjacent territory where distribution is desired. If the consumer asks for what he or she has seen advertised, the dealer will sell it if he has it. Otherwise, in ninety-nine times out of a hundred, he will sell the customer something else. When the advertiser attempts to make sales in a territory where his dealer distribution is poor or spotted, he generally succeeds in making sales for his competitors.

The first step, in laying out a zone campaign, is to organize a map and tack system and to get as com-

plete a list of dealers in the zone as possible. In this, the majority of newspapers can and do render valuable aid to the advertiser. The number of salesmen a manufacturer can afford to send into a zone determines the extent of their calls on dealers. Many manufacturers have their salesmen call on the large dealers only, and reach the others through direct mail advertising and the coöperation of the newspapers. The salesmen sell the projected zone campaign to the retailers and arrange for window displays and demonstrations.

When advertising starts, it will frequently gain new dealers that salesmen have been unable to sign up. There is an old saying, in advertising circles, that if you want to test the power of advertising, take two new territories; in one, let the salesmen be preceded by an advertising campaign; in the other, let the salesmen go out without any help whatever. In the first territory, the salesmen will be able to open new accounts, right and left; in the second territory, the opening of new accounts will be like pulling teeth.

There are, occasionally, entire states in which manufacturers have not been able to get distribution. Advertising frequently opens up these states in a satisfactory way. Sometimes a manufacturer will take the money formerly used in follow-up work, put some more with it, and advertise sectionally by means of newspapers, outdoor displays, farm papers, and street cars. This kind of promotion usually results

in a heartening filling up of the vacant places in the distribution maps.

After distribution has been effected and sales begin to show up satisfactorily, the manufacturer will move on to the next zone and repeat the procedure. In each case, he will use local media, such as newspapers, billboards, street cars, and farm papers, supplemented by sampling and possibly direct-by-mail advertising, repeating the same campaign, changed to fit local conditions in each territory.

After the manufacturer has covered, say, four or five of the trade territories, and has obtained what he considers to be a satisfactory distribution in each, he will be in a position to consider national advertising, using national magazines, national farm journals, a schedule of national posters, or a schedule of leading newspapers in the large cities, the circulation of which, linked together, will blanket the country. In this case, as in many others, national advertising follows a long period of local advertising, coupled with careful cultivation of dealers. For many products, any plan other than this would be too wasteful and too expensive.

E. J. Curtis, vice-president of Curtis Companies, Inc., Clinton, Iowa, tells an interesting story about the growth of Curtis woodwork from a beginning in a saw mill sixty years ago. The company established jobbing houses for sashes and doors in Sioux City, Minneapolis, Lincoln, Chicago, and Detroit. Later, factories were added at these points.

Although the ownership of these jobbing houses was fairly centralized, each was incorporated separately and operated within a limited sales territory, in what was believed to be the natural way for this kind of business. Despite the fact that general policies governed all companies, they were not unified in their sales and advertising efforts, and not infrequently encroached upon one another's territory.

Finally, the houses were consolidated in a single corporation, Curtis Companies, Inc. Uneconomical sales competition was eliminated and other marketing advantages accrued. Sales policies and practices were standardized and a general campaign for business initiated. Advertising media were selected carefully, and a consistent trend inaugurated toward concentration and dominating space. Today the company is the largest of its kind, with annual sales many times larger than the combined sales of the separate houses before consolidation was effected.

4. *A campaign for an article of general consumption.*—Only a few years ago, George H. Williamson, president of the General Candy Corporation, was running a retail store in Chicago. While a clerk was doing the selling, Mr. Williamson was experimenting in the rear of the store with his kettles and it was here that the confection, "Oh Henry!," was worked out. At present, "Oh Henry!" is the largest single item in the candy business, and, according to the officials of the company, this success is due entirely to advertising and the methods of merchandising it.

Most jobbers have had so many disastrous experiences with ten-cent confections that they usually are averse to handling any more. The retailer is frequently of the same frame of mind. The company, however, was able to overcome this serious handicap by introducing the goods in a novel yet simple way. Their appeal to the consumer was that of curiosity. They shipped a carload of goods into the town and put them in the warehouse. They campaigned in a new market by using a little card with not a thing on it but, "Oh Henry!" These cards were made to fit the front of an automobile radiator and the company had its salesmen put one on every car possible. It was surprising how many car owners were glad to get them.

With thousands of these cards running around town, they stirred up a lot of curiosity. People wondered what it was all about, and, by this word-of-mouth advertising, everybody was interested and began talking about it. When people approached the representatives of the company, asking what "Oh Henry!" meant, they made but one reply, "Watch the newspapers." This part of the campaign ran for about three days to a week, depending on the size of the town.

At this point, the salesmen started out to sell. They were instructed to go into a store and say, "I am the 'Oh Henry!' man." The salesman then opened his little sample case, took out a slice and asked the dealer to taste it. If there were any cus-

tomers in the store, they were invited to help themselves. The salesman then explained to the dealer that he could spare only one box; the dealer was glad to get it, for he was worked up to this point, and wanted to get in on a good proposition. The salesman told the dealer that newspaper advertising would begin in a day or two, and usually only a few days did elapse before advertising was released.

The advertising continued to be of the teaser type —the company still working on the curiosity of the public. The first advertisements were 100 lines each, and the company ran four such advertisements on the first day. For the next two days they ran 50-line copy, using eight advertisements. Then they came out with 500-line copy, telling what "Oh Henry!" was, showing a cut of it and giving the price.

The company claims to have secured 100 per cent distribution in every town they went into.

5. *A campaign for an article of limited consumption.*—In marketing an electrical appliance sold through retail electrical shops, the larger department stores, house-furnishing goods stores, and the larger hardware stores, a manufacturer would proceed in a very different way from that followed by the manufacturers of "Oh Henry!" This company has as a potential customer practically every man, woman and child in the country. Its product is on sale almost everywhere.

The dealer who purchased "Oh Henry!" was certain that a permanent demand existed and that no

OSHKOSH TRUNKS

Why we didn't ask this lady to endorse Oshkosh Trunks

THIS is the Countess de Casteroyle (nee Jones) who is one of thousands of titled people who have not endorsed Oshkosh Wardrobe Trunks.

There are still so many people in the world who appreciate good things on their own merits, without having them endorsed in print by the Socially Prominent, that it seems neither necessary nor fitting for us to seek favor with the Countess.

Of course, we do not deny to celebrities fortunate enough to own Oshkosh Trunks the right to recommend them to fellow travelers in private.

HOW TO RECOGNIZE AN OSHKOSH TRUNK

"Chief" Oshkosh Cord Duck, the strongest and toughest trunk covering made, is found only on "Chief" Oshkosh Trunks. It is recognizable anywhere by these two bands of red and yellow stripes woven into the fabric. Oshkosh Trunks can also be had in the less expensive fibre covering. The Oshkosh trademark identifies them.

A useful descriptive booklet, "Your Home Away From Home," will be sent upon request. For a copy, address the Oshkosh Trunk Company, 000 High Street, Oshkosh, Wisconsin.

A sophisticated advertisement by a manufacturer who makes friends by being witty and human.

effort would be required on his part to make sales. But the manufacturer of the electrical appliance would have to prove to the dealers the existence of a demand and the possibility of their making sales.

The market for electrical appliances is restricted to homes that have electric power. The manufacturer must exclude from his market the millions of people who live in hotels and boarding houses, who are nevertheless potential "Oh Henry!" customers. He must exclude the millions of people with incomes below a certain annual figure. After this elimination process has narrowed his market down to actual possibilities, the manufacturer of the electrical appliance will still have to consider

the restricted avenues of dealer distribution. In order to reach the number of dealers in electrical goods, he may send salesmen to dealers in large trading centers and appeal to the others through trade papers, by direct mail advertising of various sorts, strong sales letters, and a catalog.

The electrical appliance dealer, if he is at all enterprising, realizes the value of inquiries. An inquiry from a woman who is thinking of buying an electrical washing machine is worth something, because if the dealer is able to close the sale, he will make a sizable profit. Much of the promotion work in the electrical appliance field consists of this very matter of selling accounts by the use of inquiries. More trouble and expense are gone into in handling an inquiry in this field, perhaps, than in any other. A manufacturer does not hesitate to write a personal letter to the inquirer, explaining where the product can be obtained, and, if it cannot be obtained conveniently in her neighborhood, an offer is often made to ship the appliance direct to the inquirer. When these orders come in and are filled, the transaction is used as a means of opening some new account later. The new dealer is given the profit on all sales in his district that may have been made direct from the factory. In many cases, the inquiries are turned over directly to the salesman, if there happens to be one working within a hundred miles or so of the point where the inquiry arises. If the prospect is worth while, the salesman may drive 75 or 100 miles to fol-

low up the inquiry. If he succeeds in making a sale the order is filled, either from the factory or from the nearest stock, and the sale used as a lever to open an account with some distributor in the community.

In the electrical appliance field, a great deal of effort is put forth to secure inquiries not only from the consumer, but from the dealer. Much vigorous trade-paper advertising is done in soliciting inquiries direct from the retailer. In cases where this advertising is intensive enough, it is usually fruitful.

6. *Advertising extensively.*—If a product has general distribution, or if the indications are that it is capable of general distribution, a manufacturer can profitably use extensive advertising, that is, he can profitably use a variety of media covering a wide range of territory, and use them frequently. Especially is this true of a product that has a regular daily or weekly sale. Campbell's advertising comes under the head of extensive advertising. The extensive advertisers will be found among the manufacturers of food products, and in the tobacco, drug, automobile, and auto accessory fields.

7. *Advertising intensively.*—An intensive advertising campaign generally has as its purposes:

(a) The stimulation of sales in a territory where they are weak or "spotty"
(b) The introduction of a new member in a family of products
(c) A change in price or package
(d) The correction of a wrong impression regarding a product

There are other objectives that demand a concentrated advertising drive for a limited period and generally in a limited territory, although some intensive advertising campaigns have been national in their scope, such, for instance, as the government drives to raise billions of dollars by the sale of Liberty bonds, treasury notes, and war saving stamps. These advertising campaigns can be classed as both intensive and extensive.

8. *Using goodwill to create demand.*—When a manufacturer has a reputation for a quality product, a great deal of sales resistance is already overcome when he introduces a new product to dealers and consumers. Manufacturers capitalize this goodwill and take pains to emphasize it in their advertising to the consumer. The more products a manufacturer of this type puts on the market, the stronger he becomes by the cumulative goodwill of the buying public and the goodwill of the retailer.

When Mennen introduced a shaving cream, he was already firmly established through the prestige of his talcum powder. Colgate was a household word for years, through the quality of Colgate's soaps, before the dental cream was introduced. Procter and Gamble got dealers to stock Crisco before the salesmen called. The years of prestige this manufacturer had enjoyed through Ivory Soap were a big factor in this very unusual sales procedure. When Crisco was advertised to the consumer, the name of Procter and Gamble meant little or nothing to the

average woman who was a prospective purchaser for Crisco, but the fact that it was made by the makers of Ivory Soap meant everything. The prestige of Ivory Soap has also been of valuable advertising and sales assistance to Procter and Gamble in the marketing of P. & G. White Naphtha Soap, Chipso, Ivory Soap Flakes, and other products that bear the name.

When a manufacturer has put his name on a product and that product is fairly priced and dependable, he is building for himself a good name which, commercially, is almost synonymous with great riches.

REVIEW

Discuss the question of timing advertising with the securing of dealer distribution.

Describe what is generally the most feasible method of developing from a small beginning into a national advertiser.

Compare the type of campaign employed for an article of general consumption with that employed for an article of limited consumption.

State the purposes of an intensive advertising campaign.

CHAPTER XIX

EFFECT OF THE CAMPAIGN

1. *Advertising, the great educator.*—Advertising is the spark that lights the public mind to an appreciation of the merits of the things produced by industry. It opens up new markets and enables the advertiser to retain old ones. It protects the advertiser against competition. It is at once a source of information and a protection for the buyer; it tells him about quality and uses, and safeguards him against substitution by making him familiar with trade-marks and names, and the appearance of packages and containers.

Advertising is educational. This is true not only in its relation to its use in the field of industry and business, but also in the impelling influence it exercises on the routine of daily living. Customs and habits of millions of people are changed by the educational force of advertising. It has already been said that all advertising is good—for something. The right kind of advertising—truthful, factful, and intelligently used—is a force exercising greater effects on the mass consciousness of the public than merely creating a desire to buy or own or possess something. The more the students, the trained practitioners, and

the users of advertising study it, the more will they appreciate its educational values. And as they become better advised and more widely experienced, the greater will become their respect for this powerful force in modern civilization, which might well be called the common denominator of business.

2. *How advertising gets its results.*—We have already pointed out that the indirect value of advertising is greatest. It must not be expected that the consumer's reaction to advertising will necessarily cause him to make an immediate purchase. Advertising does not work that way. What it really does is to deposit, in the mental storehouse of the reader, impression after impression, until there is stored up in his mind a well-defined picture of the name of the product, or its brand, and the service it will perform for him. There are very few forms of advertising that are designed to accomplish immediate sales, exceptions, of course, being the advertising of special sales of limited duration. The greater part of advertising's work consists of building goodwill for a product and then identifying it by its name, its brand, and its uses.

Ask an acquaintance what collar he wears, what dentifrice or shaving soap he uses, what kind of oil he puts in his car. He will doubtless repeat the names glibly enough, yet he cannot tell you definitely where or how he was first moved to use the articles he mentions. The impressions came to him through some form of advertising, but the advertising was

working on his subconscious mind and he was not aware that it was working. Nevertheless, it led him to the point of becoming a customer for those brands.

The advertising manager of a prominent New York newspaper was fond of repeating his experience with the effect of advertising. This man was looked upon as a confirmed bachelor. He did not marry until nearly forty-five years of age. Yet, when he set up housekeeping, he went directly to certain retail stores for his furniture, linens, china and glassware. He had never purchased such articles before. Years of absorbing the advertising of these houses had established in his mind that they were the places he should visit to obtain quality and satisfaction in their several lines.

Therefore, aside from sales, the great effect of an advertising campaign is that of an introduction that shall be permanent, so that when the reader of the advertising is ready to buy, one name or brand is uppermost in his mind, and this brand or name he seeks and asks for.

3. *Effect on the consumer.*—The consumer likes to know that he has purchased a known, standard article and therefore gives his preference to advertised articles rather than to non-advertised articles. As was related in a preceding chapter, when two articles of similar characteristics were offered to consumers, the one advertised, the other not advertised, 60 per cent of purchasers bought the advertised article, although it was priced higher than the non-ad-

BUY NO DESK

Until You've Seen the Sensation of The Business Show

Buy no desk until you have seen Skyscraper, the new desk by Shaw-Walker. You'll marvel at the downright cleverness of it. You'll revel in the rich beauty of it. You'll be amazed at the organized features of it. And you'll gladly pay the moderate price asked for it. Your people, too, will thank you for an easier and better day's work.

No wonder the Skyscraper Desk by Shaw-Walker was the sensation at the Business Show.

Every desk-interested person who saw it, whether office worker, executive, official, or professional man, admired the way in which it solves old-time desk problems.

It has a new kind of top—smooth and glove-like. No other desk can have it.

Each drawer is *organized* for the worker's special convenience. One drawer is your "waste basket." Another takes a flat-type interdepartmental telephone. Others hold trays for "In," "Out" and "Pending" mail. Others, special card files, visible indexes, pencils, pads, accessories, etc.

Come see it, or send your man. Or mail the attached coupon for complete information. Shaw-Walker Company, Liggett Building, 42nd and Madison Avenue; Telephone, Murray Hill 5680.

T-4-7

Shaw-Walker Co.
Liggett Bldg., 42nd St. & Madison Ave.
New York City

Without obligating me in any way, send complete information on the new Skyscraper Desk.

Name_____

Business _____

Address_____

SHAW-WALKER

Although defying the convention that the advertising appeal should not be negative, this advertisement has resulted in the sale of so many desks that it has been used over and over again.

vertised article. The consumer is aware that only merit keeps a product alive and on the market. He knows that, in the face of modern competition, it is a case of the "survival of the fittest," and when he sees, month after month and year after year, the advertising of certain products, he knows that they must have merit to survive competition. Furthermore, the consumer, once satisfied with a product, generally remains faithful to that product. The advertiser coming into the field with a new product realizes that he has a difficult job to perform in weaning buyers away from an old product to his. Sometimes he can do this by the lure of a lower price, sometimes on a promise of better quality, but there must be a positive incentive, of some kind, to change the buying habits of people who make their purchases in the field of advertised goods.

4. *Effect on the salesmen.*—The late Anatole France was once asked by an acquaintance why he never wore his lapel button of the Académie Française. France replied: "Why should I? If I wear the decoration, people who do not know me will say 'There goes a member of the Academy,' while, on the other hand, without the button, people who know me will say, 'There goes Anatole France.'" John Jones of Kankakee could stand on a crowded street corner in any large city for hours without being recognized. President Hoover, Babe Ruth, Jack Dempsey, or Douglas Fairbanks would draw a crowd in a few minutes. Why? Because they are widely advertised.

Even people who never saw them before would recognize them from the pictures they had seen in the newspapers or magazines.

"Being known" is the great lever in selling goods to the consumer and in selling goods to the dealer. When a salesman with an unknown, unadvertised article makes a call on a dealer, he has a difficult job before him to interest the dealer, if he is able to get an audience at all. On the other hand, a salesman representing a widely advertised product finds that a large part of his work is done before he calls. He encounters only the competition of the other advertised products paralleling his line. If his product is more widely advertised than the products of his competitors, the advantage is greatly in his favor. When a dealer says to a salesman, "I've never heard of it," it means that the salesman must begin at the beginning to sell the merits of the product he is representing. When the salesman is told, "Yes, I know so-and-so," his job is then simplified.

A salesman is proud to be associated with a recognized company. He feels that he is a participant in its renown, and works with greater enthusiasm. Just as children are proud of their parents and boast of their accomplishments, so do salesmen feel pride in being connected with a company whose goods are known, and the greater the reputation of the company, the greater the salesman's pride. For example salesmen are willing to work for a men's clothing manufacturer who advertises nationally, even though

this involves the acceptance of a lower commission than is usually paid in that line of business. Their commission checks, though based on a lower rate, are larger in amount because of the larger volume of sales they can make as a result of the company's advertising.

5. *Effect on the dealer.*—An English retailer, on his first visit to the United States, said: "It's an extraordinary system you have over here. The shop assistants don't really sell anything. They make clients take the goods away from them!" Manifestly, such a custom has not come about through any lack of enterprise on the part of the executives of our great retail establishments. It is a result of industrial conditions that make it difficult to get expert, trained people for positions behind retail counters. But it has played into the hands of manufacturers of nationally advertised goods.

Customers know all about such merchandise because it has already been introduced to them. There is no question of having to take the word of a poorly trained or indifferent sales person, because the manufacturer guarantees it to be a good product and his advertising has explained its usefulness. Very little retail salesmanship is required to sell such an article. Naturally, then, the retail store executive, whose sales assistance problem has always been a hard one, is in a receptive frame of mind toward advertised merchandise. The dealer realizes that every customer who leaves his store, unsold, is an expense. He knows that

it is easier to sell advertised goods, not only because there is a greater demand for them, but because the manufacturers give him valuable aid in simplifying the selling of them. He realizes the prestige he enjoys from carrying standard brands and advertised goods. The dealer knows, also, when a customer comes up to the counter and asks by name for an advertised article, that the manufacturer's advertising is working for him. He knows that the customer must have confidence in the advertising and in the merchandise. His contact with the customer is his index to the validity of the manufacturer's claims and to the salability of the goods, and it is from the customers that he learns what the manufacturers' advertising is doing.

6. *Effect on the product.*—In advertising, it is essential to emphasize the points of superiority of a product and to concentrate the selling arguments on the quality. It is the repeated pointing out of these points to the public that eventually induces them to buy the product. The manufacturer must make the product live up to all his claims for it, and improve it, wherever the opportunity for improvement exists. The manufacturers of Carbona Cleaning Fluid found that, although the product was eminently satisfactory wherever it was sold and used, a number of consumers complained of the odor. After considerable experimentation and expense, the manufacturers rectified this objection. The manufacturers of Williams' and Colgate's shaving sticks improved the

package so that every bit of the soap could be used and there was no longer any waste.

The longer a product is advertised and the more consumers it wins, the keener the manufacturer's effort to keep the product to a quality standard and to strive for perfection. When there seems to be no further room for improvement, the manufacturer will cast about for a better package or try to find more uses for the product.

7. *Effect on the organization.*—Advertising exerts a good influence on employees. Employees like to be associated with a big advertiser. They have a feeling of pride every time they see an advertisement of the company they work for, and this pride is reflected in an earnest desire to put forth their best efforts. Advertising inspires loyalty in employees. The employee frequently obtains a better idea of the extent and importance of the company for which he works by reading its advertisements than he does from his daily routine.

8. *Effect on the selling costs.*—A package of chewing gum can be bought for five cents, and this price has been made possible through advertising. Advertising has kept down or lowered the price of lead pencils, many articles of food and clothing, and other goods of universal consumption. Advertising has built for these articles a greater demand; greater demand has necessitated an increased quantity of production, easier and less costly selling methods, the conservation of salesmen's time, the lessening of sales

resistance, and, as a final consequence, a lower price to the consumer.

9. *Effect on the profits.*—Advertising increases profits because it sells more goods at a lower selling cost. Advertising widens markets and is the means of obtaining greater distribution and greater volume of sales in these markets. Advertising creates demand, keeps it constant, and thus helps to build business on a permanent basis.

Every one of these is important, and unless these effects are realized, the advertising may not increase profits. It is possible to make a splurge that will attract a vast amount of attention—while the appropriation lasts. But unless the advertiser is able to keep up the pace he sets, his money is largely thrown away. Impressions are constantly giving way, in our minds, to other and more recent impressions. The impression that is made ought to be strong and it ought to be favorable. But it ought also to be repeated; otherwise, even a strong and favorable impression may fade and be forgotten.

Nor can the advertiser disregard the factor of intensity. An appropriation may be utterly inadequate to accomplish what the advertiser desires, because in his field that appropriation will have to be so spread out that but a feeble impression can be made on his market. Whispers cannot be heard if there are many competitors talking out loud or shouting.

Advertising can increase profits, for every one of

the reasons that have been given. But the advertiser must make his message heard and he must make sure that his message is not forgotten.

10. *The necessity of eternal vigilance.*—An advertising campaign, regardless of how expertly it is planned, cannot be wound up and allowed to run automatically. It must be watched with unceasing care. The advertiser who plans a campaign, even down to the most minute detail, cannot expect it to operate long without watching. A visitor in a large textile mill in Connecticut noticed a woman walking slowly up and down the long aisles between the rows of looms. She was apparently doing nothing. When the visitor asked his guide why this woman was there, he was told that she was probably the highest paid worker in the department. She was a "listener." Her work consisted of detecting, by the sound of a loom, when a broken thread had put a bobbin or shuttle out of commission. Her ear was so finely trained to the sound of the various looms that, even above the whirr of the machinery, she could detect trouble, stop the loom, and rectify it. By this analogy, we do not pretend to intimate that an advertiser should be so expert as to detect errors sensitively, but we do maintain that at all times during the progress of an advertising campaign the advertiser should be constantly alert and ready to stop the machinery quickly, if need be, and rectify errors.

Mistakes—serious mistakes—are easily made. The manufacturer of a certain article which was retailed

through grocery stores had identified his advertising for some fifty years by a name plate and a short slogan, which always appeared at the bottom of each advertisement. A few years ago, he decided, for what seemed sound enough reasons at the time, to make certain decided changes in his advertising policies. The new advertisements were entirely different as to illustration, layout, copy, etc., and the old name plate and slogan were either omitted, or so reduced in size and relegated to an inconspicuous position as to be lost from sight.

Despite a much larger appropriation, returns showed almost no increase. An analysis revealed the fact that old customers no longer identified the firm's advertising or, if they did, resented the change, particularly the subordination of the old familiar name plate and slogan. When these were restored somewhat to their former importance, and certain other changes made in the copy, a notable improvement in returns came almost immediately.

Manufacturers sometimes embark upon extensive national advertising campaigns before their business justifies such expansion. The result may be fatal if the campaign is not checked up closely and brought back to a sensible basis.

11. *Effect on business.*—The keen imagination of the American public is the fertile field in which the seed of all American advertising is sown—it is the background of every story of successful advertising in the country. An advertising idea transmitted into

the hustle and bustle of American life finds millions of receptive minds. If it is not a success, it is the advertiser's fault—not the public's.

It is food for thought that the vast fabric of American publicity, woven into the flesh and bone of commercial life, has grown into being in less than a lifetime. This would not have been possible but for the fact that, from its inception, advertising has met with a tremendous popular response. Advertising is a form of progress. For that very reason it can never reach perfection, although it is constantly striving in that direction. Because it is a new science, if it can be dignified by that name, there is much to be learned about its use, and much still to be done to avoid its abuse. Research and experience will bring constant progress as time goes on. Advertising has created confidence in industry and business, because it has imparted to the public the truth about industry and business. Advertising has put its cards on the table. There can be no masquerading. A spade must be called a spade, or the advertising is not a success. Advertising has created new wants and it has shown the people how to fill these wants; it has raised the standards of living; it has proved to be a powerful factor in social, civic, and commercial economics; it has been an incentive to better individual and community development; it has provided employment, stabilized business, and promoted business activity; it has been a powerful ally to the government in times of stress; and it has been a powerful

stimulus to social, commercial, and moral uplift, generally.

12. *Have faith in advertising.*—When you hear a man say, "I don't believe in advertising," you may be sure that the remark is impelled by one of two reasons: either he has never advertised or, if he has, it was unsuccessful. If the latter is the case, it is quite probable that advertising was not to blame, but that the failure lay in the methods in which advertising was employed. Advertising does not do its job in a day. The coral polyp is barely visible to the naked eye, yet whole habitable islands formed by them are found. It is so with advertising. It builds impression after impression until a building has been fashioned upon the foundation of goodwill that is well-nigh impregnable.

If your advertisting does not appear to be producing results with the speed you had expected, or in the quantity you had expected, do not blame advertising. Make a thorough, unbiased analysis of your plan. Somewhere you will locate the weak link in the chain. The fact that a man has not bought an advertiser's goods does not mean that he will never buy them. If the impression has been recorded in his memory that the advertiser's product is right for his needs, some day he will buy and, if satisfied, will keep on buying. Remember, advertising is a gentle lover. It woos tenderly and sincerely. It was never intended that "cave-man" methods of winning by force should be applied in the practice of advertising.

REVIEW

How does advertising get its results, from a psychological viewpoint?

Describe the effect of advertising upon the salesman, the sales manager, the dealer, the product, the organization.

Explain how advertising may affect selling costs.

Give an illustration, from your own observation, of the necessity of watching a campaign carefully.

State the arguments you would use to restore an advertiser's faith in advertising.

CHAPTER XX

ADVERTISING ASSOCIATIONS AND PUBLICATIONS

1. *Development of coöperation in advertising.*— Advertising, like many other forms of business, started as a highly individualistic enterprise, and continued as such until those who were dependent upon it, in one way or another, for their bread and butter realized that further advances could not be made until they learned to coöperate. This realization brought about a development of trade associations and mutual help organizations.

The number and variety of the associations now operating in the field of advertising are surprising, as is shown by the following list prepared for the United States Department of Commerce:

Advertising Affiliation
Advertising Specialty Association
Advertising Typographers of America
Agricultural Publishers' Association
American Association of Advertising Agencies
American Community Advertising Association
Associated Motion Picture Advertisers, Inc.
Associated Retail Advertisers
Associated Sign Crafts of North America
Association of American Manufacturers Using Premium Advertising, Inc.
Association of Foreign Advertising Agencies of America

Association of National Advertisers, Inc.
Association of Newspaper Classified Advertising Managers
Audit Bureau of Circulations
Bureau of Advertising, American Newspaper Publishers' Association
Direct Mail Advertising Association
Exclusive Distributors' Association
Insurance Advertising Conference
International Advertising Association
International Alliance Bill Posters and Billers for the United States and Canada
International Association of Display Men
International Association of Newspaper Advertising Executives
Mail Advertising Service Association, International
National Advertising Commission
National Industrial Advertisers' Association
National Poster Art Alliance, Inc.
Outdoor Advertising Association of America, Inc.
Paper Makers' Advertising Club
Periodical Publishers' Association of America
Public Utilities Advertising Association
Real Estate Advertisers' Association
Rocky Mountain Outdoor Advertising Association
Screen Advertisers' Association
Society of Illustrators
Theatre Advertising Publishers' Association
Western Associated Motion Picture Advertisers

To which may be added:

Advertising Federation of America
American Photo-Engravers Association
Associated Business Papers
Association of Newspaper Advertising Executives
Better Business Bureaus
Better Letters Association

Federation of Women's Advertising Clubs
Financial Advertisers' Association
Graphic Arts Association
Inland Press Association
Lithographers' National Association
Mail Advertising Service Association
Manufacturers Premium Advertising Association
National Association of Teachers of Marketing and Advertising
National Conference of Business Mail Users
National Publishers' Association
Pacific Advertising Association
Pacific Association of Advertising Agencies
Paint and Varnish Sales Conference
Southern Newspaper Publishers' Association

Several of the associations listed above control, or are made up of, a considerable number of subsidiary associations. Some of these subsidiaries exist because of geographical necessity; others, because of close relationship with the controlling or general association. Certain of these organizations have international affiliations.

What do all of these associations do? What have they accomplished? A book would be required to describe their work in detail, and do justice to each of them. For our present needs, a brief explanation, with examples of different types of associations, will suffice.

Advertising associations fall into five general classes, according to membership, as follows:

(a) Buyers of advertising
(b) Advertising agencies

(c) Advertising media, such as newspapers, outdoor magazines, business papers, broadcasting, etc.
(d) Advertising services
(e) General or composite groups

2. *Associations of buyers of advertising.*—Chief among the associations of this type, is the Association of National Advertisers, more familiarly known as "The A.N.A." This association, founded in 1910, is made up of some three hundred of the leading national advertisers of the country, paying the bulk of the bills for national advertising. With a membership of this extent, it is in a position to act as spokesman for the buyers of advertising.

The association has to its credit many accomplishments in the elimination of costly errors in the buying of advertising service, space, and printing. It has aimed to eliminate guesswork and rule-of-thumb methods, and to place advertising, so far as it is humanly possible, on a scientific basis. It has briefly stated its own reasons for existence in the following words:

> The association stands for greater effectiveness and economy in advertising, selling, and distribution. It is the watchman of the advertiser's rights and privileges; it is a clearing house of marketing information and methods; it is an institution for advertising and sales research; and it is the meeting ground of men with common problems to discuss, and with ideas to exchange to their mutual benefit.

This association is not only engaged in making and sponsoring studies of general interest to buyers of advertising, whether they are members of the asso-

ciation or not, but it also undertakes to answer, for its members, specific questions on sales and advertising subjects, and on domestic and foreign marketing practices and methods. During its twenty years of operating this service, it has accumulated a file of information on sales and advertising subjects that is generally conceded to be without equal anywhere else in the world.

Membership in the Association of National Advertisers is held in the name of companies, with their advertising managers or other officers as official representatives. The association is supported entirely by membership fees. These fees vary according to the advertising appropriation of the member company.

Membership meetings are held twice each year, when members and invited authorities on sales and advertising subjects gather for a discussion of vital problems of the day. These meetings have been described by a buyer of advertising as clinics, "which mean as much to the advertiser as do the meetings of the American Medical Association to the medical profession of the country."

3. *Associations of advertising agencies.*—In this field, the dominating association is the American Association of Advertising Agencies which, for brevity's sake, usually is referred to as "The Four A's." This association represents the fulfillment of the desire of many agents for a national association, in which could be represented various sectional associa-

tions, centering in cities such as Boston, Philadelphia, New York, and Chicago. The present American Association of Advertising Agencies was organized at St. Louis in 1917.

Membership in the association is open to agencies of all sizes. Membership blanks call for detailed information concerning the owners of an agency, their present and former business connections and interests.

Since its formation, the A.A.A.A. has actively cooperated with other associations in the task of impressing upon owners and managers of advertising mediums the importance and value of honest circulation statements, and has been influential in holding up the hand and authority of the Audit Bureau of Circulations. Among its other accomplishments may be cited the standard rate card now in general use among publishers, the progress it has made in bringing about standard page sizes in publications, the establishment of a standard form for ordering space, and its success in simplifying the internal working of advertising agencies, through interchange of information.

4. *Associations of advertising media.*—Practically all types of media have organizations interested in advertising, although, in most cases, it is not their only interest. The American Newspaper Publishers' Association, the Associated Business Papers, and the Agricultural Publishers' Association, for example, are primarily concerned with the general

progress of their own particular part of the industry. There are some, however, that have organized special bureaus, which give all their attention to advertising. This is the case, for instance, in the newspaper field, in which the American Newspaper Publishers' Association has its "Bureau of Advertising."

This particular bureau continually is studying problems of newspaper advertising and making its findings known both to newspapers and to advertisers. It has studied not only the proper use of newspaper advertising from the standpoint of appearance, but also has done much to make newspapers realize the importance of collecting, for the buyer of advertising, accurate data concerning the markets they cover.

Other organizations created by interests owning or controlling specialized advertising media also have shown the same marked progress displayed by newspapers in making available to advertisers and to advertising agencies information on how to use a particular medium, despite the fact that they have not physically segregated their activities in that direction in a particular bureau.

Among the few associations in the advertising medium field that are concerned solely and entirely with the problem of advertising is the Periodical Publishers' Association. This particular group has been most active in raising standards of practice and ethics in magazine advertising.

In addition to the work of promoting the proper

use of their particular media for advertising, several of these associations are charged with the responsibilities of passing upon the claims of advertising agencies for recognition, and of keeping their members continually informed of the financial status of advertising agencies.

5. *Advertising service organizations.*—Typography, engravings, art work, electrotypes, stereotypes and research, all have an important part to play in advertising, and the individuals and organizations offering such services all derive much of their income eventually from the pocket of the advertiser. These individuals and organizations for some time have been aware of the fact that they must join hands and exchange information in order to serve the advertiser better, and at the same time insure the profitable continuance of their own businesses.

Some of these organizations as, for example, those made up of engravers and typographers, not only have spent money to improve the product that they sell to advertisers, but have raised funds to spend in advertising such improvements to buyers of advertising.

6. *General or composite associations.*—In this classification, there are several different organizations that demand explanation because of their importance to the entire field of advertising.

Among these is the Audit Bureau of Circulations, founded in 1914 through the efforts of advertisers represented in the Association of National Adver-

tisers, and through the efforts of advertising agents, and of honest and intelligent publishers. The objects of this organization are, in the language of its by-laws:

> To issue standardized statements of the circulation of publisher members; to verify the figures shown in these statements by auditors' examinations of any and all records considered by the Bureau to be necessary; and to disseminate circulation data only for the benefit of advertisers, advertising agents, and publishers.

"Each report issued to members," the by-laws state, "shall embrace verified figures and facts bearing on the quantity, quality, distribution of circulation, and circulation methods, thereby enabling quality as well as quantity to be established, and facts, without opinion, to be reported."

The work of the Audit Bureau is guided by a board of directors, made up of twenty-five members elected at the annual conventions. There are two directors from each of the following divisions: magazines, farm papers, business papers, and advertising agencies; four representing newspapers; and thirteen representing buyers of advertising. This division, it will be seen, clearly gives the buyers of advertising a majority of one in the board, a provision agreed to by all interests at the outset, in order that no one could accuse the publishers of "auditing themselves." Each division nominates its own representatives, but the actual elections are made by all of the delegates in general session. The expenses

of conducting the organization are met through revenue obtained by membership fees. These fees vary according to the class of membership.

The daily meeting place, in large centers of population, and the weekly meeting place, in smaller communities, for all who are interested in advertising, whether as buyers or sellers, is the advertising club. These clubs, scattered throughout the world, are, with but few exceptions, joined together through the International Advertising Association. In the United States, their organization, which in times past has been known by various names, is now called the Advertising Federation of America. The Federation holds an annual convention, as does each of the sectional divisions composing it.

7. *The Better Business Bureau.*—The Advertising Federation of America, through its predecessors, has been the sponsor of a number of movements and organizations engaged in waging war on fraudulent advertising. First, in point of time, was the "Truth in Advertising" movement, culminating in the formation of Vigilance Committees. These, in turn, gave way to the Better Business Bureau, an organization representing an intelligent effort on the part of the business of advertising to clean and keep clean its own house.

The Bureau's work is carried on by one national and by forty-three local offices, all concerned with the detection of false, misleading, or fraudulent advertising practices among business organizations.

The work of the national and local bureaus is coordinated by means of an affiliated organization in which all are members. Each bureau arranges its own finances, and there is no pooling of financial resources. Each bureau must earn its own way through the financial support of the better element of business in the community or field which it serves.

The Better Business Bureau movement does not exist as a punitive organization. As its name implies, it exists primarily in order to show those who violate common practices of honesty and decency that there are better and more profitable ways of doing business. The organization, however, does invoke the law when, in the opinion of its responsible heads and their legal counsel, the situation demands that the power of the courts be called into play as the only means of curbing an abuse.

8. *Advertising publications.*—There are some forty publications that cover advertising subjects. Not all of these cover the general field; the majority, in fact, as their titles usually indicate, are concerned with some special form of advertising. Among these forty or more, may be mentioned *Advertising and Selling, Sales Management, Printers' Ink, Printers' Ink Monthly, Printed Salesmanship, Class and Industrial Marketing, Advertising Age, Postage and Mail Bag,* and *Editor and Publisher.* Notable contributions to advertising in the form of new and valuable information have been made by a number of these publications.

Of much importance to individuals in advertising, whether they are in the advertising department of an advertiser, in an advertising agency, or in the offices of advertising mediums, are the various service organizations that issue directories, surveys, manuals, and textbooks on advertising.

Among the most important of these services is the monthly publication called *The Standard Rate and Data Service,* covering rates of daily newspapers, agricultural publications, general magazines, business, religious, and foreign language publications. For each publication, it gives minute detail on such topics as general advertising rates, classified and display advertising rates, special sections and editions, position charges, discounts, contract and copy requirements, color requirements, issuance and closing dates, mechanical requirements, minimum depth regulations, inserts, personnel representatives, and circulation. Another section of this same publication deals with the rates and other pertinent information concerning those broadcasting stations that sell time on the air to advertisers.

Another guide to publications, compiled largely from the publishing standpoint, is the "Directory of Newspapers and Periodicals" published by N. W. Ayer & Sons, with 100 maps, descriptions of states, cities, towns, and publications, and about 380 classified lists of periodicals.

Patterson's "Mailing List Directory" is invaluable in direct mail advertising and, by its comprehensive

cross-indexing of prospects, suggests clues to new uses of products and new outlets.

"Market Research Agencies," published by the United States Department of Commerce, is a guide to publications and activities relating to domestic marketing. It lists such publications as: "Market Data Handbook of the United States" (Department of Commerce); "Survey of Current Business" (Bureau of the Census, monthly); "A Study of All American Markets" (100,000 Group of American Cities); "Market Guide" (Editor and Publisher); "National Markets and National Advertising" (Crowell Publishing Company); "Population and Its Distribution" (J. Walter Thompson Company); "International Guide for Advertisers" (*Sales Management*); various reports of the Curtis Publishing Company; "Standard Advertising Register" (National Register Publishing Company); *Advertiser Reporter* (Publishers' Commercial Union); "The National Loose-Leaf Directory of Advertisers" (The James McKittrick Company, Inc.).

The multitude of manuals, textbooks, and other commentaries specifically devoted to advertising is indicated by the fact that the "U. S. Catalogue of Books in Print" recently listed fifty-one in a single year. An excellent short bibliography of textbooks and manuals is provided by the Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce. It will suggest titles of value to the advertising department in developing its work.

REVIEW

Classify advertising associations according to the character of their membership.

List the services rendered to members by the Association of National Advertisers.

Explain the work and methods of the Audit Bureau of Circulations.

How do the newspaper publishers' associations coöperate with advertisers?

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